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The Department of State bulletin

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The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Transcript of Secretary Dulles' News Conference

Press release 360 dated June 27

Secretary Dulles: I have a statement which I would like to make.¹ Then there will be questions.

Maintenance of Unity and Vigor in Free World

This is a moment when it is of particular importance that the free world should maintain its unity and its vigor. Much of the responsibility for this rests upon the United States.

International communism is in a state of perplexity and at internal odds because certain basic truths have caught up with it. One such truth is that communism has great difficulty in being an effective instrument of cold war without such iron discipline and brutal terrorism as Stalin employed. The other truth is that such rule will not be indefinitely tolerated by those subject thereto unless at least it produces a succession of victories.

There have been no recent victories, largely due to the unity and vigor of the free nations and such policies as are embodied in our mutual security program now before the Congress.

I recall that on January 1, 1950, *Izvestia*, the official organ of the Soviet Government, hailed the New Year saying that it had come "as a welcome and dear guest" which would bring new triumphs. It went on to say the Soviet camp was "multiplying day by day." It listed Poland, Czechoslovakia, Bulgaria, Rumania, Hungary, Albania, North Korea, Mongolia, China, and East Germany as successive additions and it concluded, "Communism is conquering, communism will triumph!"

But ever since then, there have been lean years, so far as Communist conquest is concerned. The unity and combined strength of the free world made it impossible for international communism, with the Soviet Communist Party as its so-called

"general staff," to go on year after year picking up countries one by one. With the lack of victories, there is revolt against the harsh discipline exemplified by Stalin. As a result the Communist Parties are in a state of discomfiture.

This is above all a time for the free nations to remain strong in their unity. If the free world countries should themselves lose the strength of unity, due to complacency, or because we are just plain tired of helping each other, then international communism would gain hope of new victories which would help it to surmount its present trouble.

The essential thing now is to maintain, support vigorously, and resourcefully adapt to new conditions the basic policies of unity which are now beginning to pay off. Then we can face the future with fresh confidence.

Mimeographed copies of that will be available when you go out. Now, if you have any questions.

Q. Mr. Secretary, could you tell us if you and Chancellor Adenauer agreed on any specific plan of action with regard to German unification or are we just waiting for the Russians to agree to a day on which to resume the talks on the matter?

A. Well, we agreed upon much more than a purely passive policy. I think that was made clear in the communique which we issued at the close of our conference.² We said, in effect, as I recall, that the attitude of the Soviet Union toward German unification should be made a touchstone, so to speak, of all the other relationships which we have with the Soviet Union. In that way we expect and hope to create the kind of pressure upon the Soviet Union which resulted in the Austrian State Treaty. It took a long while to get the Austrian State Treaty. I remember I worked on it for the first time when I was in Moscow in 1947 with Secretary Marshall. At that time we thought it was

¹ The following seven paragraphs were also released separately as press release 358 dated June 27.

² BULLETIN of June 25, 1956, p. 1047.

just around the corner. It took from 1947 to 1955 to bring it about. It came about primarily through the kind of moral pressures which we expect and intend to evoke as indicated by the communique which was issued by Chancellor Adenauer and myself. That communique does not go into details, but it does outline, I think, a basic position which we hope and believe will promote the unification of Germany.

Reaction to Khrushchev Speech

Q. Mr. Secretary, in your statement you said international communism is in a state of perplexity and internal odds. Could you elaborate on the "internal odds"—just precisely what you had in mind?

A. Well, I had in mind the situation which was revealed by the Khrushchev speech which was in turn revealed to the world through the Department of State a few weeks ago.³ It is quite obvious in that speech that even within the Soviet Communist Party itself there was grave discontent and dissatisfaction with the type of rule which Stalin exemplified. That in turn has been reflected in the statements which have come out from the various Communist Parties in different parts of the world as a result of their having obtained the Khrushchev speech. The Communist Parties in the United States, France, Italy, and the United Kingdom have all made statements which indicate their dissatisfaction and their belief that something must be done to make the Communist Party, or international communism, more broadly based to prevent such concentration of power and provision for terrorism as existed during the Stalin era.

There is no agreement yet as to what shall be done, but there are demands arising from all quarters that something has got to be done about it.

As I say, that confronts international communism with an almost impossible dilemma because that type of despotism cannot in the long run work except through the iron discipline that Stalin imposed, and that in turn is only tolerable if they gain victories. It is a repetition of the same kind of thing we have seen throughout history. We saw it in Hitlerism and it has been frequent in history. That kind of despotism has to be ruthless, and, on the other hand, it only succeeds and maintains its power and subjects people

to that ruthlessness if it gains successes. Once it ceases to gain successes it gets into internal trouble.

Q. Have you received either directly or indirectly from the Soviet Government any reaction at all to the release of that Khrushchev speech by the State Department?

A. There have been reactions I might say at an informal and low level; nothing at a high level.

Q. Can you tell us what they were, sir?

A. Well, they did not disavow the speech in any way and implied they accepted its validity and perhaps suggested it was not quite playing cricket to have made it public.

Q. Mr. Secretary, how much do you estimate was left out of the speech as actually delivered in the copy that was released by the Department?

A. Well, I suspect, and there is some evidence to support the view, that there was originally considerably more in the speech than what was released. This is, apparently, an official version that was prepared afterward, and which is completely authentic as far as it goes. But we cannot guarantee that there may not have been more in the original speech than appears in the prepared speech. I would guess there was more. I do not think it is a verbatim reproduction of all of the original speech.

Q. There have been a number of reports from Italy and other countries that sections on foreign policy as to the origin of the Korean War and relations with China, the Berlin blockade, etc. Have we any information that any of those reports are authentic?

A. Well, we have some information about possible additional statements, but we have not felt sufficiently sure of their authenticity to feel justified in attributing them to Khrushchev.

Q. Mr. Secretary, you mentioned in your statement that there were no recent Soviet victories in foreign policy. Does that imply you don't consider the results of Soviet efforts in the Middle East a success?

A. It is certainly not a success in terms of having brought any country into the Soviet Communist camp. It does not assimilate any country to the condition which was listed in the *Izvestia* editorial of 1950 when it listed Poland, Czechoslovakia,

³ For text, see *Cong. Rec.* of June 4, 1956, p. 8465.

Hungary, etc., and said the Soviet camp was multiplying day by day. There has been nothing of that sort at all in relation to the Near East.

Now in terms of economic influence, that may have grown somewhat. But in terms of a political domination there has not been the victory of the type which was forecast in 1950 or any other types that might make it necessary to make the party people and others who were subject to that kind of rule accept it. And proof of that is that they don't accept it. In other words, the success or lack of success of the past few years has in fact brought about this situation of revolt against that rule. This, as I pointed out, was almost inevitable.

Q. Mr. Secretary, is there a degree of dissatisfaction, to use the term as you used it earlier, on the part of Communist leaders in other countries with the present Soviet administration, or is this dissatisfaction all directed against the former Stalin administration?

A. I think the statements issued by the various Communist Parties show a very high state of dissatisfaction with the present leadership of the Communist Party as exemplified by the Soviet Communist Party. There is a good deal of criticism in fact of the Khrushchev speech and a feeling it does not properly evaluate the situation and that the trouble with communism is much deeper than is indicated if you merely attribute it to the so-called aberrations of one man. It is my personal view that the kind of thing which Khrushchev talks about in relation to Stalin is not wholly due merely to the fact that Stalin may personally have been a sadist and gotten certain satisfaction out of torturing people. I believe the reason is far more fundamental, which is that Stalin realized only by having a reign of terror, so to speak, could he maintain what he called the iron discipline which is essential for the victory of the Communist Party.

Situation in Iceland

Q. Mr. Secretary, would you consider the situation in Iceland a Communist victory and the spread of neutralism all over the world?

A. There is no doubt that there is not today the same degree of fear as existed in 1950 and 1951. I don't call that a Soviet victory that the danger of war seems to be less. As you recall, at that time, 1950 and 1951 and 1952, when the Korean War was on and we couldn't be sure but what that

war would enlarge, there was a very great fear which led people to be pleased to do things which they would not want to do under normal conditions. Now, the allaying of that fear is not a Communist victory. That is a thing we have been working for for the past few years—to put away the danger of war.

Now in the case of Iceland, when it originally joined the North Atlantic Treaty it did so on the understanding that there would not be foreign troops that were to be stationed in Iceland. That was the mood of the people of Iceland, as I recall, in 1949. Then came the danger, which was exemplified by the Korean War—the danger that those war tactics would be employed in Europe—and the transformation of the North Atlantic Treaty from what was originally contemplated, which was primarily an engagement on the part of the parties to come to each other's help if there should be an armed attack; the change from that into the actual creating of some sort of joint military establishment. We ourselves changed at that time our whole attitude. I recall when I was in the Senate debating on the ratification of the North Atlantic Treaty, both Senator Vandenberg and I, who took a leading part in that, took the position that there was no great need to create important forces in being; that the primary power of the North Atlantic Treaty lay in the deterrent of the assertion that if there was an attack we would each come to help the other.

Now then there was a change as a result of the Korean War and the conclusions that were drawn from that as to possible Soviet policies of violence. That had its effect upon all of the members in the North Atlantic Treaty, including Iceland. Now there is a tendency in Iceland to go back to what I think was the original concept that the Icelandic people had. That comes about, not as a result of a Communist victory, but because, I believe, the policies we have had in the meantime have allayed the fears which were born in 1950. Now what the result will be I do not know nor would I want to prophesy.

You recall that the United States has bases in Iceland, not in its own right but acting as an agent for the North Atlantic Treaty Organization. And if there is a change in that situation, it is a change which Iceland would take up in the first instance with the North Atlantic Treaty Organization, and whether it will do so, and, if so, what the result will be, I wouldn't want to prophesy.

But, certainly, I would say it does not indicate any great victory for communism.

Q. Mr. Secretary, does your interpretation of the perplexities of the Kremlin mean that you suspect that it has given up international communism?

A. No. I wouldn't say that. Of course, it has purported several times to have dissolved international communism in the form of the Comintern and the Cominform. But always it has kept underground ties with Communist Parties in other countries and has largely laid down the policy line.

I have quoted already what Stalin said about the Soviet Communist Party being the "general staff" of what he called the "world proletariat," and all of the Communist Parties in the world have, in the main, taken their guidance from Moscow. And I don't think there is any desire on the part of Moscow to lose that kind of relationship. But there is no doubt but what the ties that have in the past bound these local Communist Parties to the Kremlin have been very much shaken and loosened by recent events.

Q. Mr. Secretary, do you reject the idea that these statements by the Italian and French Communists and other Communists on this side of the Iron Curtain are a part of a preconceived plan which fits with the new party line as announced at the Party Congress in February?

A. Yes, I reject that theory. To my mind the evidence is so strong the other way that, to me, it is quite conclusive that this is coming about as a result of real differences and that there is not a prearranged pattern in this matter at all.

Q. Mr. Secretary, in view of this new attitude which you concede exists throughout the world, and the loss of fear, what do you think the foreign reaction will be to the news that the United States Senate has added a billion dollars to armaments, principally to buy long-range bombers?

A. Well, I think that there will be no critical reaction to it abroad. I think that much of the world accepts the view that the balance of power in the world is primarily determined by the nuclear situation, particularly the relative nuclear power of the Soviet Union and the United States. Now the question as to how much money it takes to implement that policy is a matter as to which I

don't suppose they will have any particular opinion. But I imagine they would be happier to see the amount increased than to have seen any radical reduction there. In other words, they will think our heart is in the right place without passing judgment upon whether technically the decision was right or wrong.

East-West Contacts

Q. Mr. Secretary, Foreign Minister Pineau said last week that this crisis of the Communist world also offers the West an opportunity to exploit it, and proposed specifically greater contacts, in a campaign to penetrate the Iron Curtain and to advance the cause of freedom and democracy and that stuff. Do you agree with this program or what is your interpretation?

A. Well, I agree entirely with the principle which M. Pineau expressed. I believe that there is a growing tide within the Soviet bloc in favor of greater liberalization, greater human rights, greater freedom of speech, greater enjoyment of the fruits of labor, an opportunity to speak and think more freely. I believe that that comes about through a good many causes, perhaps one of the most important of which is the increasing education of the Russian people which has come about as a necessary component of their increase of industrialization. And I believe that the more the Russian people come to realize what are the freedoms, what are the opportunities that are enjoyed in other countries, the more they will be disposed to ask for and expect the same things for themselves. So the principle is one which I entirely accept.

Now the application of that principle always makes difficulties—that's usually the case. There is seldom sharp disagreement about broad principles; the differences come when you come to apply these principles. And I think that each case has got to be considered on its own merits as to whether or not it will give an opportunity to bring the knowledge and information to the Russian people which we would like to see them get.

As you know, we tried to reach an agreement on that subject at the Geneva Conference of Foreign Ministers in October–November of last year, and at that time the Soviet Union rejected the proposal that we made.⁴ There has been since then some

⁴For text of 17-point U.S.-U.K.-French proposal, see BULLETIN of Nov. 14, 1955, p. 778.

indication that they might pick up some of those proposals, at least, on a bilateral basis. As I say, there was no difficulty whatever in M. Pineau and me agreeing on the broad principle involved. We did not get into the question of its detailed application, and, possibly, there might have been differences between us in that respect, as, indeed, we find differences within our own Government as to how the principle should be applied.

Marshal Tito's Visit to Russia

Q. Mr. Secretary, would you give us your assessment of Marshal Tito's visit to Moscow and whether you believe he in any significant way changed his position vis-a-vis the Soviet and the West?

A. The question that you put is one which is receiving very close study by this Government. We have not yet come to any final assessment of what was the significance of Marshal Tito's visit to Russia. He is not yet back in Belgrade, nor have we had the opportunity to have a quiet study, with full information, as to just what took place there. I would say this, we do not believe that anything that has happened conclusively shows that Tito has gone back to any role of subserviency to the Soviet Union. There is no evidence at all of that, and to my mind it would be almost incredible that he would have assumed that relationship because, after all, he risked a great deal—including perhaps the most precious thing that a man has in many respects, his own life—to maintain independence for himself and his country. Why, under present conditions, he should have given it up I can't see; nor do I find in what has been said any evidence that he did give it up.

Very strenuous efforts were made by the Soviet hosts to trap him into statements, to interpret Tito's own statements, in a sense that would give that implication. But we do not feel that there is any evidence which satisfies us so far that he has given up his independent role. And I would think it would be a very grave mistake indeed, so long as the matter at least is subject to reasonable doubt, if action were taken which would make it impossible for us to proceed on the assumption that he was still independent or to help him to maintain his independence. In other words, the verdict is not yet in. And until we have a much clearer view of the situation I would hope very

much that there would be no congressional action which would foreclose the issue.

Q. Mr. Secretary, do you believe these Communist perplexities in any way threaten the position of leadership of Mr. Khrushchev within the Soviet Union?

A. Well, I suppose that is one of these questions which relates to the internal affairs of another government that I ought not to comment on. I am very much tempted to comment on it, but I think I had better restrain myself.

Q. Mr. Secretary, on the foreign aid bill now pending in the Senate, does the administration have enough votes to defeat a mandatory import amendment which is being developed up there now?

A. I wouldn't want to forecast the vote. These things are always pretty fluid until the last minute. We are hopeful that there will not be the votes to carry that, but I would not want to attempt to get into the business of predicting votes. As far as I know we had no head count on that matter at all.

Q. Mr. Secretary, does it follow from your comments on Iceland that you would not be displeased if we had to close down our base there, or if we had to reduce substantially the number of forces that we have on Iceland?

A. No, that would not be a correct inference from what I said. The base has, we believe, continuing importance from the standpoint of the security of the West and of the North Atlantic Community. I said that the danger had been thought to be less by the people of Iceland. I think we are inclined to think that there is a greater danger than they think. You see, one of the problems of dealing with a despotism such as the Soviet Union has is that it can reverse its field almost instantaneously, and it has made surprising zigs and zags, particularly during the last few years. So long as the Soviet Union possesses the capability of powerful and sudden military action I think it is dangerous to assume, on the basis of their professed statements, that we are all free from that danger. Therefore, I believe that so long as these capabilities exist and so long as the Soviet rulers have not committed themselves to another course of action to such a degree that it would be im-

practical for them quickly to reverse their position, until that time comes we must keep our guard up. I would regard the Iceland base as an important element in that, although, as I say, we are there as an agent and representative of the North Atlantic Council and the final verdict on that matter must be its and not ours.

Q. Mr. Secretary, is the implication of some of your earlier discussion on the Communist dilemma a matter of an opinion that the Communist international control from Moscow is disintegrating? Is that the significance of what you are saying?

A. I believe that the control of the Soviet Communist Party over local Communist Parties has been very greatly weakened and that there does not now exist the same degree of power as existed during the Stalin era to rule them with an iron hand and to compel obedience through terrorism. There has been a revolt against that. I do not mean to suggest that there will not continue to persist a degree of affinity between the local Communist Parties and Moscow. But I think that the kind of authority which the Soviet Communist Party possessed during the era of Stalin, when he had a very high degree of arbitrary authority over these parties, I think that that relationship has been gravely impaired, and I greatly doubt that it can be reinstated unless, as I say, perhaps we ourselves should so fall apart as to give great encouragement to the rebirth of that kind of a Stalinist system.

Q. May I ask one other question along this line? Would this kind of weakening between local Communist Parties and Moscow control tend to create a situation in which the Communists could realize more of their aim of united fronts with other parties in Western countries?

A. It might make that possible. One faces a certain dilemma on our side, which is that the more the Communist Parties abandon the practices which led to their being in effect ostracized, the less ostracized they are going to be. Now do you want to have them be evil just so they will be entirely ostracized? Or do you want some of the evil to disappear, accepting as a consequence that they will be less ostracized? That is inevitable. From my own part, I would prefer to see them shed some of their evil qualities even though recognizing that the consequence of that will be that there will be a less degree of ostracism. That

assumes, of course, that the shedding is a real thing and not just a subterfuge.

Q. Mr. Secretary, in your comment on M. Pincieu did you imply that the administration has now reached a firm policy on the subject of East-West exchanges?

A. I would not say that there has been yet a final decision. I believe that a paper on that subject is coming up within the next few days, perhaps, for final decision through the National Security Council and the President which will help us form our position.⁵ Of course, I don't anticipate that any paper will be so comprehensive that it will provide an automatic guide to the decision in each individual case. We are never going to get away, I think, from a case-to-case basis, but certain fairly clear principles and guidelines will, I hope, be laid down within the next few days.

Q. Mr. Secretary, aside from the fact that foreign ministers travel more these days, can you tell us your thinking on the visit of Mr. Shepilov to Cairo?

A. Well, we are not as yet, at least, in the possession of any information as to any firm results which have been achieved as a result of that visit. There may be such results. But so far they have not come within the scope of our knowledge. I have a little bit the impression that perhaps Mr. Shepilov's visit did not produce quite all of the results which he hoped for.

Q. Mr. Secretary, Senator Flanders said in a speech yesterday that our effort to obtain German rearmament seems to have stood in the way of obtaining German reunification. He suggested that Chancellor Adenauer be encouraged to negotiate directly with the Soviet Union on reunification. Do you have any comment?

A. I have not read Senator Flanders' speech. He is a Senator of great idealism that I have a very high regard for. I would say as a general matter I think probably Chancellor Adenauer, who has the responsibility and who certainly is as deeply dedicated as any man can be to the reunification of Germany, is in a position to judge the possibilities and the best way to proceed. And so far I do not think that Chancellor Adenauer

⁵ See p. 54.

thinks that the reunification of Germany would be promoted by such courses as you indicate Senator Flanders has suggested. As you, I think, all know, the Soviet rulers in some of their recent exchanges with Western leaders, particularly in London, later on with M. Mollet and Pineau when they went to Moscow, indicated very clearly that they were not at all interested in the reunification of Germany on any terms. That is a matter that we all of us are giving a good deal of thought to, and probably Chancellor Adenauer is giving the most thought to it. I think it is entirely speculative to assume that even such a program as you indicate Senator Flanders has suggested would, in fact, promote the reunification of Germany at the present time.

Senate Action Authorizing Mutual Security Program

Statement by Secretary Dulles

Press release 369 dated June 30

I greatly welcome the action of the Senate to authorize the carrying forward of our mutual security program.¹ If this authorization is concurred in by the House and implemented by corresponding appropriations, the program can be carried forward for the benefit of the free world.

This program, as I have repeatedly said, is not a give-away program. Every item is designed to promote the peace and safety of the United States and the environment of freedom which is essential to our own freedom.

It is particularly important at this juncture that the free nations should not falter in their positive efforts to maintain their unity and vigor as against external assaults.

It is obvious that the Soviet rulers are confronted with grave problems as a result of the solid front of the free peoples and the mounting demands of the subject peoples.

This is above all a time for the free peoples to hold fast those policies which have proved good.

¹ The Senate passed late in the evening of June 29, 1956, a bill authorizing the appropriation of \$4,330,075,000 for the mutual security program for the fiscal year 1957. This compared with the authorization request of the President of \$4,672,475,000 (and appropriation request of \$4,859,975,000) and the action of the House on June 11, 1956, in approving an authorization bill for \$3,567,475,000.

July 9, 1956

Prime Minister of India Postpones Visit to U.S.

The White House on June 25 made public an exchange of correspondence between President Eisenhower and Prime Minister Jawaharlal Nehru of India and on June 26 released an additional message from Mr. Nehru to Mr. Eisenhower. Following are the texts of the three messages.

Prime Minister Nehru to President Eisenhower

JUNE 23, 1956

I have been much gratified to learn of the continuing progress of your recovery from your recent illness, but feel that the programme of our personal talks should not impose an additional strain on you during your convalescence. I am most anxious that this should be avoided, and suggest therefore for your consideration that my visit to the United States might be postponed. I had been looking forward greatly to the opportunity of personal talks with you, but I think it still more important that no undue strain should be placed upon you in the coming weeks which might in any way retard your progress to full recovery. I send my warm personal regards and best wishes for your speedy and complete restoration to normal health.

JAWAHARLAL NEHRU

President Eisenhower to Prime Minister Nehru

JUNE 24, 1956

MY DEAR MR. PRIME MINISTER: I have just received and read your gracious message. I have been eagerly looking forward to a visit from you and the opportunity it would give of personal talks between us. While my convalescence proceeds according to schedule and I may take a brief trip to Panama toward the end of July, I cannot be entirely free of doubt as to whether my recuperation will be far enough advanced by July 7th to have the kind of talks which we both had in mind. I know that you would not want to come here merely for a round of official ceremonies. For your visit to be worth your while there should be assurance that we could have frank and perhaps even somewhat protracted talks, such as we have promised ourselves. That might well be possible

for me by July 7th, but I cannot now be certain of this, and I know that you yourself cannot let the decision wait until the last moment.

Under all the circumstances, I am inclined, with truly deep regret, to adopt your considerate suggestion that your visit to the United States be postponed until there can be complete assurance that it would have the character which we both had in mind. I hope that the delay will not be for long and that you will, at your convenience, suggest another date. This I assure you is meant as an urgent invitation.

Again thanking you for your good wishes and for your kindly consideration, I am, with high personal esteem,

Sincerely,

DWIGHT D. EISENHOWER

Prime Minister Nehru to President Eisenhower

JUNE 25, 1956

MY DEAR MR. PRESIDENT: I am most grateful to you for your prompt and generous message. It has given me the liveliest pleasure and satisfaction to learn that your convalescence is proceeding according to schedule, but I have no doubt that the decision to postpone the talk we had planned, which would inevitably have entailed an excessive degree of strain, is a wise one. That a personal meeting with you has had to be postponed has naturally caused me deep disappointment, but I share your hope that a further opportunity may present itself in the future for such a meeting. What is of immediate importance is that you should be fully restored to health as soon as possible, and it is my earnest hope that you will not allow the heavy burdens of your office to come in the way of your rapid and complete recovery.

May I express to you once again, Mr. President, my high esteem and personal regard.

Very sincerely,

JAWAHARLAL NEHRU

United Nations Day, 1956

A PROCLAMATION¹

WHEREAS the United States of America joined in founding the United Nations for the purpose of maintaining international peace and security; and

¹ No. 3142; 21 Fed. Reg. 4425.

WHEREAS the United States has consistently supported the United Nations, the Charter of which is the outgrowth of a common desire among peoples of all nations for permanent peace; and

WHEREAS in the ten years of its existence the United Nations has developed into a living, functioning organization capable of influencing world opinion on the side of peace, freedom, and justice; and

WHEREAS recent additions to the membership of the United Nations have increased its vitality and its capability of achieving the aims and ideals of its Charter and fulfilling man's ancient longing for a better and a strife-free world; and

WHEREAS the General Assembly of the United Nations has resolved that October 24, the anniversary of the coming into force of the United Nations Charter, should be dedicated each year to making known the purposes, principles, and accomplishments of the United Nations:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of this Nation to observe Wednesday, October 24, 1956, as United Nations Day by means of community programs that will demonstrate their faith in, and support of, the United Nations and will contribute to a better understanding of its aims, problems, and accomplishments.

I call also upon the officials of the Federal, State, and local Governments, the United States Committee for the United Nations, representatives of civic, educational, and religious organizations, and agencies of the press, radio, television, and motion pictures, as well as all citizens, to cooperate in appropriate observance of United Nations Day throughout our country.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this 21st day of June in the year of our Lord nineteen hundred and [SEAL] fifty-six, and of the Independence of the United States of America the one hundred and eightieth.



By the President:

HERBERT HOOVER, Jr.,
Acting Secretary of State

President Approves Exchange Program With Eastern Europe

White House press release dated June 29

The President on June 29 approved the recommendation of the National Security Council that the United States should seek exchanges between the United States and the countries of Eastern

Europe, including the U.S.S.R., along the lines of the 17-point program put forward by the Western Foreign Ministers at Geneva in October 1955.¹ Although this program was unacceptable to the Soviet Government at that time, the President believes that such a program, if carried out in good faith and with true reciprocity, may now contribute to the better understanding of the peoples of the world that must be the foundation of peace.

U.S. Concern for Welfare of Polish People

LETTER FROM ACTING SECRETARY HOOVER TO AMERICAN RED CROSS

Press release 370 dated June 30

JUNE 30, 1956

DEAR MR. STARR: The reports of serious disorder in Poznan, Poland, seem to be marked by demands by the population for bread, and we are informed of serious food shortages in Poland. The people of the United States, many of whom are of Polish descent, have a sympathetic concern for the welfare of the Polish people. As you know, there is a long history of cooperation between our peoples, especially after World War I and as long as we were permitted after World War II.

The United States Government, on behalf of the American people, is ready to make available to the League of Red Cross Societies (International Red Cross), for free distribution through Red Cross channels to the people in Poland and particularly to relieve the critical situation in the Poznan area, appropriate quantities of wheat, flour and other foods.

The United States Government would make the food available to the League of Red Cross Societies, without cost, at an appropriate port of entry in Poland. In keeping with our usual requirement that the consumers of American relief grants be informed of the source of the supplies, the food so provided would be labeled for distribution as a gift from the American people.

¹ For text of 17-point U.S.-U.K.-French proposal, see BULLETIN of Nov. 14, 1955, p. 778.

I should be grateful if the American Red Cross would seek immediately to ascertain if the food offered as a gift by the United States to relieve the reported hunger and distress of the Polish people is accepted.

Sincerely yours,

HERBERT HOOVER, Jr.

Acting Secretary

MR. HAROLD STARR,
*General Counsel,
American Red Cross,
Washington, D. C.*

STATEMENT BY LINCOLN WHITE¹

The United States Government is profoundly shocked to learn of the shooting at Poznan which killed and wounded so many persons. Our sympathy goes out to the families of these people, who were merely expressing their profound grievances. They apparently feel that their Government primarily serves the interests of the Soviet Union.

This episode dramatically underlines what President Eisenhower said to the Soviet rulers at Geneva;² namely, that the peoples of Eastern Europe, many with a long and proud record of national existence, should be given the benefit of our wartime pledge that they should have the right to choose the form of government under which they will live and that sovereign rights and self-government should be restored to them.

We believe that all free peoples will be watching the situation closely to see whether or not the Polish people will be allowed a government which will remedy the grievances which have brought them to a breaking point.³

¹ Made to correspondents on June 29. Mr. White is acting chief of the News Division.

² BULLETIN of Aug. 1, 1955, p. 172.

³ In a further comment to correspondents on July 2, Mr. White stated: "Communist charges that the Poznan demonstrations were instigated and financed by the United States Government are wholly false. The demonstrations, in fact, seemed to have been produced by a surge of pent-up bitterness on the part of an oppressed and exploited people. Hundreds of Polish citizens are now being arrested in reprisal and further ruthlessness is threatened in the Stalin tradition. The whole world is watching closely the conduct of the Communist authorities in their treatment of the people of Poznan, who apparently took the only course they felt open to them to express their desire for freedom."

Fundamentals of U. S. Foreign Policy

by Livingston T. Merchant
*Ambassador to Canada*¹

A foreign policy of any country, it seems to me, in the broader sense is something more than a treaty, or a pronouncement by a statesman, or even a Cabinet decision reinforced by legislative action. It is the expressed will of a people, and it can only endure if it becomes part of the habit of thought of a people. It must rest, of course, on the hard facts of international life, on an appraisal of one's national security and one's national self-interest. It must for us have, beyond that, a moral foundation. That may not be true in all countries, but I know it is in yours and mine.

Now let me speak for a moment of our two countries. In the year of our Lord 1956 we have many more things in common than just living on the same continent. In fact, I believe that we hold in common all things that matter. Certainly among these we can count our belief in man, the individual, with God-given rights. We believe in government resting on the consent of the governed and designed to serve, not dispose of, the individual. We believe in freedom of religion and freedom of expression. We believe in peace as a condition in which we can all individually pursue and exercise our creative talents, but we have proved on three occasions in the last 40-odd years that when need be we will fight rather than surrender when an evil force threatens every good thing that we cherish.

Canada and the United States have together inherited in recent years previously undreamt of responsibilities. Together we are a part of what Sir Winston Churchill called the "new world." We are the primary arsenal of the free world.

¹ Address made before the Canadian Club of Ottawa on June 21.

We are together, I am personally convinced, the primary target of any future aggression.

Canada and the United States have something else in common. This is that our shores are washed by both the Pacific and the Atlantic Oceans. We look eastward to Europe, whence the forbears of both of us came. We look also westward toward Asia.

Today in the United States it is to me no accident that the Vice President, the Chief Justice of the Supreme Court, and the administration's leader in the Senate all come from California. Each year the center of the population in the United States moves a mile or two miles westward to the Pacific Coast. I have no doubt that this is equally a demographic fact in Canada.

Your interest and our interest in the Pacific goes back many years. More than a hundred years ago my forebears from New England were in the China trade. I had a great-great-uncle who was the first United States consul in Shanghai in the 1840's.

I myself saw in China a few years ago the lasting mark that Canadian missionaries have made there. On Formosa, where I spent some months in 1949, the largest and best hospital was one built and operated by Canadian missionaries.

The United States and Europe

But, looking now across the Atlantic, United States foreign policy with respect to Europe is, I believe, well understood. Its cornerstone is our membership in the North Atlantic Treaty Organization. We believe in collective security as the modern method whereby countries which think alike and consider themselves threatened can best

assure their own security. Such defensive arrangements were specifically contemplated under the United Nations Charter. They are equivalent to the establishment of a police force by a community in place of individual reliance on one's own shotgun, and they assure a more effective defense at less cost to the community than if each member alone attempted to provide its own defense. NATO, moreover, has another and unique quality. This is that it is incapable of manipulation for aggressive purposes. NATO can never become the tool for aggressive national use by any of its members. This is not only because of the safeguards which a free public opinion and parliamentary institutions provide. It is also because of the practical military arrangements under which all forces are under international command with a multinational staff. Supply lines are common. National units supplement and support each other. There is under NATO no possibility for an individual national adventure.

I honestly believe that some day the Soviets will understand and accept this fact. So far they have refused to, and they continue to direct their efforts to destroy NATO and divide its members one from the other. These efforts are more subtle than they once were. There is, however, no evidence that their long-term purpose and objective of world domination has been abandoned. The shifting tactics of international communism, however, require that we members of the North Atlantic alliance consider in what ways we can develop further our alliance in the interest of expanding cooperation in areas other than the military. The latter has rightly held the priority since the treaty was signed. Behind the defensive military shield which has been erected there are now the opportunity and the need to strengthen the relationship under the treaty in other directions. At the Ministerial Council meeting in Paris last month it was agreed that a committee of three Foreign Ministers should advise "on ways and means to improve and extend NATO cooperation in non-military fields and to develop greater unity within the Atlantic Community."² Fittingly, your distinguished Secretary of State for External Affairs, Mr. Pearson, was one of the three Foreign Ministers selected by the Council for this task.

Just as the United States believes that its se-

curity can best be assured by collective security arrangements, so also do we believe that no opportunity should be overlooked for peaceful negotiations to seek just settlements of the great issues which divide the Communist and the free worlds. In the past 3 or 4 years I have myself participated in literally months of negotiations with the Soviets, in company with the British and the French—at Berlin in 1954, at Geneva in the spring and summer of the same year, at Vienna in May 1955, at San Francisco a year ago, again at Geneva at the summit conference last July, and once more at Geneva last fall.

Our fundamental policy is clear and simple—to join with our friends in measures to assure our common defenses in the face of a threat and yet to avoid no opportunity to seek peaceful solutions through negotiation.

U.S. Policy in the Far East

In the Far East the foreign policy of the United States sometimes seems to me less well understood. It is my purpose and intention today to try to explain it without, of course, presuming to give advice to any of the friends of the United States around the world as to what their policy should be.

While the United States is a Pacific power as well as an Atlantic power, the foundation of our policy in the Far East is identical with what it is in Europe. We believe in collective security. In the past 5 or 6 years we have concluded mutual defense treaties with Australia and New Zealand, with the Philippines, with Japan, with the Republic of Korea, with the Republic of China, and more recently with the seven other members of the Manila Pact, better known as SEATO [Southeast Asia Treaty Organization]. We believe aggression, as in the invasion of the Republic of Korea in 1950, must be met with resolution and force. We believe in being loyal to our friends. We believe that the less well-developed countries of the world are entitled to technical and economic assistance from more highly developed countries. We applaud the Colombo Plan, in which Canada plays so prominent a part. Our own technical-assistance aid programs demonstrate that we have not required a joining with us in defense arrangements as a precondition to granting of such aid. Finally, we believe in the process of peaceful negotiation for the settlement of disputes.

Canada, too, is deeply and increasingly involved

² BULLETIN of May 21, 1956, p. 836.

in the Far East. Canada was one of the first to support the United Nations in the successful resistance to aggression in Korea. Less than 2 weeks ago in Calgary I had the honor of presenting to the Second Battalion of the Princess Patricia's Canadian Light Infantry a Presidential Unit Citation for extraordinary heroism in action at Kapyong in Korea during April of 1951. Canada played a most constructive part in the conference at Geneva in 1954, from which resulted the armistice in Indochina; and today you are discharging at very considerable sacrifice your heavy responsibilities as one of the three members of the International Control Commission in Viet-Nam, Laos, and Cambodia.

The Chinese Communist Regime

We cannot escape the fact that in the Far East the as yet unrenounced aggressive ambitions of Communist China create a situation not of genuine peace but of uneasy truce. In Korea there is an armistice but no peace. In Viet-Nam there is an armistice but no peace. On the mainland opposite Formosa the Chinese Communists are building a network of airfields capable of supporting jet aircraft. They are building military roads and railroads. They are almost daily harassing the Nationalist-held islands with artillery fire.

To me the central fact and threat in the Far East resides in the Communist regime of China, which by its past actions and its continued outpourings of threats has testified to its unwillingness to govern its external relations by the principles of the United Nations Charter.

Yet here as elsewhere in the world we have shown our willingness to seek peaceful solutions by negotiation. Our nonrecognition of Communist China has not inhibited us from sitting down across the table with its representatives when it is a direct party to the dispute at issue. In Korea the United States, on behalf of the United Command of the United Nations, engaged in the long difficult months of negotiation with the Chinese Communists which culminated nearly 3 years ago in the armistice in Korea. Again at Geneva in 1954 we negotiated in the effort to reunify Korea—with no success. Since August 1, 1955, we have been continuously negotiating with the Chinese Communists in Geneva to secure the release of American civilians imprisoned in China and to attempt to obtain from the Peking regime

a simple agreement that it would not resort to force in the settlement of international disputes, with particular reference to the area of Formosa.

The lack of understanding and in some quarters of the world the lack of sympathy for the United States Far Eastern policy relates mostly, I think, to our policy with respect to Communist China. In Europe I have often heard it criticized as "rigid" and "shortsighted." We are frequently lectured by some European and Asian friends for our refusal to accord diplomatic recognition to Peking and for our resolute opposition to Communist China's admission to the United Nations. We are told that the Communist regime in fact controls mainland China and that we should recognize a fact when we see one. We are told that social ostracism encourages antisocial behavior, as though the hardheaded rulers of five or six hundred million people act like wayward, small boys.

Question of Recognition of Chinese Communists

Let me tell you the reasons why we have refused to recognize Communist China and why we have opposed its admission into the United Nations. They are the same reasons, I imagine, which have been responsible for your Government's policy of nonrecognition and nonadmission to the United Nations.

First of all, Communist China has been formally condemned by the United Nations as an aggressor in Korea. Its armies in Korea killed and wounded tens and tens of thousands of the United Nations forces who were there resisting a flagrant aggression on the call of the United Nations itself.

True, there has been a truce for nearly 3 years in Korea. But Chinese armies remain in Korea, the Chinese Communists daily violate the armistice by introducing new weapons and munitions in defiance of its terms, and they have made a mockery of the armistice provisions for inspection by neutral observers behind the lines. We cannot see how or why an unrepentant, unpurged aggressor, formally declared by the United Nations to be such, could be admitted to the United Nations. This is not the right sort of test of a willingness to abide by the principles of the charter.

In Viet-Nam, a country like Korea tragically divided, we have an armistice but no peace. The Viet Minh, during the fighting, were openly supplied and supported by the Chinese. And now that there is a truce we find violations of its terms.

Since the Geneva Armistice Agreement of 1954, the effective strength of the Viet Minh fighting forces has approximately doubled; and the artillery firepower is reported to have increased some sixfold. It is the Chinese Communists who are furnishing the equipment and the training.

As I said a few minutes ago, the Chinese Communists maintain formidable forces opposite Formosa and are steadily building up their capability for an attack on Formosa, where, by treaty, the United States has solemnly recognized that an attack would be dangerous to its own peace and security. As I also said, the Communist Chinese have refused to agree to a declaration that they will not resort to the use of force in the area of Formosa except defensively. The United States has repeatedly stated its willingness to make a corresponding declaration even though this is redundant in light of our acceptance of the obligations of the United Nations Charter.

Lastly, if it were possible to overlook the Chinese Communist aggression in Korea, and its flagrant actions in Indochina, and its repeated threats to take Formosa by force—all of which it is impossible, of course, to overlook—we in the United States would still remember the treatment meted out to our people by the Communists in China as long ago as 1949, the violation of our treaties, the imprisonment of our consular officials, our businessmen, and our missionaries.

This in our eyes is not a record of behavior which entitles a regime to honorable admission to the United Nations.

I have sometimes heard the argument that recognition has nothing to do with moral judgment but merely should recognize facts. I do not find myself in complete agreement with this view. Some element of moral judgment seems to be inescapably involved.

Then let us look for a moment at the consequences on Formosa and elsewhere in the Far East which could be expected to result from general diplomatic recognition of Peking and its admission to the United Nations. A faithful ally through the long years of the war with Japan and since, the National Government of China, would be abandoned and discredited. The hope for ultimate freedom which its standard on Formosa holds out to millions of Chinese on the mainland would be gone. In the overseas communities of nearly 20 million Chinese in Malaya, Thailand, Burma,

Indonesia, and the Philippines, those who traditionally have maintained their homeland ties would have no alternative to allegiance to Peking, and the local consequences of such a shift in allegiance could prove serious indeed. Finally, many peoples in the Far East who fear Communist domination, who drew confidence from United Nations resistance in Korea, and who believed that firmness by the free world would deter another aggression, would find their faith sadly shaken and their will weakened.

I have heard it argued that some of these reasons are idealistic and by implication impractical and that from a realistic point of view it would be better to have Communist China in the United Nations where it could be dealt with face to face and exposed to the influence of world opinion. The further question is raised as to where the policy of nonrecognition will lead; what practical goal can it hope to achieve? In my opinion there is far more hope of Communist China's reassessing its foreign policies and abandoning its aggressive attitudes if subjected to the inflexible pressure of the united opinion of the free nations of the world than there would be if China were to be admitted to the United Nations without any concrete evidence of a change in heart or a renunciation of its present aggressive policies.

For all of these reasons, the United States refuses to recognize the Chinese Communist regime and opposes its admission to the United Nations. It is, of course, for every country to determine its own policies, but for us the case is conclusive.

As Disraeli said, "The secret of success is constancy of purpose." We believe that in Europe the strength and unity achieved by our common efforts in NATO in large part account for the change in Soviet tactics and for the easing of tensions we are now experiencing. In the Far East, likewise, we believe that the will and resolution shown by the United Nations in Korea and the development of collective security arrangements largely account for the replacement of shooting wars by armistices, uneasy though they be. There would seem, therefore, no reason in common sense for abandoning the basic policies which have produced these benefits.

Canada and the United States are joined not only by geography and as friendly neighbors. We are partners in great enterprises. We are discharging as best we can the enlarged responsi-

bilities which we never sought but to which we have fallen heir. In the United Nations, in NATO, in Korea, and in many other places we are working together to achieve a common ideal. That ideal President Eisenhower described 3 years ago as "the lifting, from the backs and from the hearts of men, of their burden of arms and of fears, so that they may find before them a golden age of freedom and of peace." By our work together we can help make that great hope a reality.

U.S. Policy Toward Japan and Okinawa

*Statement by John M. Allison
Ambassador to Japan¹*

I have noted that as a result of recent press statements, particularly about the Price Subcommittee report,² there have arisen misapprehensions concerning American intentions in Okinawa and Japan. I want to say emphatically that there has been no change in our basic policy either toward Okinawa or Japan. With regard to the Ryukyu Islands we have recognized Japan's residual sovereignty and have no intention of seeking to acquire permanent possession of the islands. When we returned the Amami-Oshima Islands to Japan in 1953, the Secretary of State said that the United States would "continue to exercise its present powers and rights in the remaining Ryukyu Islands . . . so long as conditions of threat and tension exist in the Far East." No one can predict exactly how long these conditions will obtain, but it remains our considered estimate that they necessarily may last for some time. In the meantime, I am sure our friends everywhere realize that our presence on Okinawa is part of our contribution to that joint strength essential to the defense of freedom.

With regard to the security treaty with Japan, it is important to remember the spirit in which it was drafted, which it expresses, and which continues to animate the collaboration of our two countries. That treaty demonstrates the interest of both nations in the maintenance of international peace and security in the Far East. It also unites

¹ Released to the press by the U.S. Embassy at Tokyo on June 27.

² Report of a Special Subcommittee of the Armed Services Committee, House of Representatives, Following an Inspection Tour, October 14 to November 23, 1955.

them in maintaining the security of Japan itself, toward which specific end Japan and America are partners and neither acts alone without consulting and considering the best interests of the other.

U.S.-Pakistan Discussions on Double Taxation Convention

Press release 338 dated June 20

Technical discussions are scheduled to open at Washington on June 21 between officials of the Governments of Pakistan and the United States looking toward the conclusion of a convention between the two countries for the avoidance of double taxation with respect to taxes on income. If bases for agreement are found, drafts of the proposed agreement will be prepared and submitted to the respective governments for consideration with a view to signing. It is anticipated that the duration of the meetings will be 1 week to 10 days.

The delegation of Pakistan will be headed by Mahtabuddin Ahmed, Joint Secretary of the Pakistan Finance Ministry and Member of the Pakistan Central Board of Revenue. He will be supported by Zahiruddin Ahmed, Financial and Economic Counselor of the Embassy of Pakistan in Washington, and by Abdul Latif, Deputy Secretary of the Pakistan Finance Ministry and First Secretary of the Central Board of Revenue.

The U.S. Government participants in the discussions will be under the direction of Dan Throop Smith, Special Assistant to the Secretary of the Treasury in charge of tax policy.

These discussions provide one more indication of the community of interest between Pakistan and the United States, and both Governments hope that such a convention will encourage an increase of industrial and commercial relationships between the two countries.

Spencer Phenix Appointed to Mixed Board at Bonn

The Department of State announced on June 27 (press release 359) that Spencer Phenix is being appointed as the American member of the Mixed Board sitting at Bonn which deals with matters of clemency and parole for prisoners in German war-crimes cases. He will succeed former U.S. Senator

Robert W. Upton of New Hampshire, who is resigning as of June 30, 1956, for personal reasons. Senator Upton has returned to Washington to report on the work of the Board during his incumbency.

During the last war Mr. Phenix undertook a number of special missions to Europe and the Near East for the U.S. Government. After the war he served with the Office of Military Government in Germany in 1947-1948 and as a consultant to the Economic Cooperation Administration in 1948-

1949. During this period he was also chief of the financial section of the ECA Special Mission at Athens, Greece. From 1950 to 1954 Mr. Phenix was financial vice president of the Free Europe Committee.

The Mixed Board, which was established by international agreement, is composed of American, British, French, and German citizens. It is an independent body exercising a quasi-judicial function, and its members are not subject to governmental instructions.

The Meaning of Foreign Affairs to the Average American

by Eleanor Dulles

Special Assistant to the Director, Office of German Affairs¹

Foreign relations have changed their character basically in recent years. In the matters that concern us most, national boundaries have ceased to be important. We are engaged in a race with time in our dealings with two global forces.

The nuclear developments are of such magnitude that they threaten us all, irrespective of location or form of government. The changed nature of national aspiration has presented us with the problems of every area that is underdeveloped. These two developments are forces that increase the urgency of understanding and action to a degree that demands an enormous new effort.

The Western centers of civilization have for centuries dominated most of the world by ideas. Now the very effectiveness of this leadership has produced conditions which threaten destruction if we cannot move forward with new vigor and wisdom.

The nature of atomic potential and danger so obviously transcends the protections and the controls of any one country that the problem is evident. Thus, we must focus our attention on the programs for international cooperation in this field. No one can seriously question their importance. Time is moving rapidly.

¹ Address made before the 33d convention of Zonta International at Sun Valley, Idaho, on June 28 (press release 352 dated June 22).

There is new realization in many nations as to what are called newly developed areas, that they are finally free of the fear of mass starvation, and that infant mortality and many of the diseases of the past are under control. They must look to countries with high living standards who earlier gained this freedom for new rights and privileges which seem within their grasp. They will continue to press for a larger material basis of living and for national independence where it is lacking—both tendencies which increase the necessity for a genuine international cooperation.

We and the countries represented here are challenged by the shortness of time and the speed of recent developments. We have one generally recognized, dominating motive. We are determined to create a world in which nations can live without the threat of a war of extinction and in material and spiritual decency. The ideas which led to this acceleration of pace and brought us together must again serve us in this tremendous task.

The countries from which we come have had enormous talents of invention and administration. They have, through the expansion of constitutional government, the manifold developments of the industrial revolution, by amazing financial devices to permit the growth of commerce, brought this foreshortening of time and space. Their cul-

tural ideas have enriched the communications between nations.

Now with these same ideas—in which we must all share—we must press on at a new tempo and with a new willingness to accept the burdens and responsibilities of working together.

In the last years, since these two forces have become increasingly evident, great things have been accomplished. Financial, cultural, military agreements, working arrangements, and organizations have been developed. They have been unprecedented and successful. More is now demanded of us, however. We must have a wider understanding and a greater tolerance. We must develop new tools for our mutual salvation. We must be ready to work and pay and continue the task which has been forced upon us.

Elements of Strength

The immediate question before us is to discern the elements of strength and try to increase them.

The first of these lessons we have learned in recent years, as I see it, is that no nation can stand alone. Many have seen the handwriting on the wall and have shaped their national policy along lines of cooperation and mutual support. The North Atlantic Treaty countries are obvious illustrations.

The second lesson in how to increase our strength is to realize that what we do locally in our own work and in our education and cultural activities makes a difference. This is a point of view that requires thought as to how our daily tasks conform to our accepted principles as a nation, whether we personally are in line with the policy of our nation among nations. This takes us into the matters of foreign economic and financial relations. It requires an extension of our professional and business activities beyond the local scene and calls for seeing our own lives in a world setting.

It is hard for us to realize that what is done in our local communities affects our international position.

Recently this connection has been made very close. Impressions regarding our civic standard, the maintenance of order, the pursuit of justice, and the development of education in its broadest sense are of incalculable importance. In all these things we play a daily part. Our lives mirrored by press and movies, reported by visitors, and finding expression as we deal with persons from other

lands shape foreign policy. It is the essence of our democracy that this should be so. We cannot escape these facts. We have shaped our government and chosen our systems or national life along these lines. We as individuals are representatives of our nations. By our actions will the meaning of our national policy be judged.

A third main lesson is that we must have an appreciation of the traditions and values of others that are not our own, in order to work with other nations. This task is long and hard but is one which can be carried out as we receive students and leaders from other countries, as we try to make wider contacts at home and in our travels, as we read and as we listen, as we discuss the problems of the day. Such an appreciation of the problems of other nations will help determine the success or failure of our policy.

The purpose of a meeting of the kind which you have assembled here, and of this particular session, is, I take it, to see whether, by examining some of the problems of foreign relations and discussing some of the issues in the cooperative economic and political efforts, we can increase our understanding of the issues and extend the horizons of our thought. The very fact that we have come together here means that we have acknowledged a concern and a responsibility for such an understanding. It also evidences the fact that the elements which I have noted under these three headings often perplex us and frequently appear to exceed our ability to make the decisions that affect us personally.

Complexity of Foreign Affairs

In the period when issues were fewer and the nature of the problems confined mainly to those affecting persons involved in foreign trade, foreign finance, or foreign enterprise of one kind or another, we could limit our attention to summary statements of broad national policies and expect to be able to pursue our usual, normal activities with little interruption. This situation may have prevailed some 50 years ago.

The average person who reads one of the well-staffed dailies is confronted each day with expressions of this fact. He has little personal knowledge or direct experience which help him meet the problem. He has an uneasy feeling that he may not be doing enough to protect himself, his children, and his nation. The variety of is-

sues is so great that there is danger at times of a cynical conclusion that he must ignore the general field of activity because of its complexity. I believe there is a middle ground between complete discouragement with regard to concern of the individual in foreign affairs, and a preoccupation with details which most of us, even if professionally concerned, cannot fully master.

As we review the press, we see that such matters as EURATOM, the agency to control atomic developments, the General Agreement on Tariffs and Trade, the NATO buildup, open-skies inspection, and the growing restlessness of colonial peoples are discussed in terms which make them of vital interest to us. With a little familiarity with these matters, it is likely that when some of the particular issues suddenly reach critical importance we will be prepared to understand the crisis. Each of us has a sense of great urgency with respect to the necessity of protecting basic national interests and yet frequently a sense of bewilderment as to the kind of course which should be taken by the Government and its representatives.

In times of war, the imminence of personal danger and the importance of survival make obvious, without the explanation of an expert, that supreme efforts are required. Even such technical matters as the availability of strategic metals, matters of production and transport, as well as close cooperation in military action come to have a clear meaning. In times of peace, we must, for the most part, rely to a considerable extent on the political or economic leaders and on the press to help us form our judgments.

It is essentially true, however, that many aspects of foreign relations are by their very nature obscure. They are, perhaps, to be compared to the iceberg which is visible only as a small portion appears above the surface of the water. However visible and clear this mass appears, the part which is not seen is many times as large.

The factors which make possible international understanding are to a considerable extent little known acts of friendship, the slow building of cooperative arrangements, and the thousands of unheralded consultations and preparations that lie behind our international organizations.

Many of the details of this work may quite properly remain in the province of the specialist. This fact becomes the more striking when one notes that in the last 10 years 1,984 treaties and agreements have been concluded by this country with

other countries. The amount of work behind these treaties in the countries affected is incalculable. Moreover, in the case of Germany alone, which attained its sovereignty on May 5, 1955, 10 agreements have already been signed. A picture of a long series of meetings could be given with respect to the NATO agreements, the Western European Union, the General Agreement on Tariffs and Trade, and a host of others.

To appreciate and value a motion picture, it is not necessary to be an expert on sound tracks. To make intelligent use of knowledge of municipal affairs, it is not necessary to be an expert on highway maintenance, city powerplants, or municipal budgets. To mention the details that are in the province of the specialist is not to limit the area of our understanding.

The impact of most of the treaties and other foreign problems on the individual becomes increasingly evident with time. It may come through the changes of price level, changes in national income, through specific requirements placed on the citizen with respect to national security, in a myriad of other ways. If one looks beyond these immediate relationships to the grave question of survival, one has to consider the entire complex of our defensive potential, the capacity of all friendly nations, and the extent of the danger to our very national life.

It is not always easy to appreciate the point of view of other nations. The difficulty is rarely one of language. I have rarely known of an instance when an important obstacle in international negotiations was created by a misunderstanding of words. The difference lies deep in the concepts of working and living. One illustration of the wide chasms of difference is found in a chapter in the Soviet encyclopedia of diplomatic training which is devoted to methods of deception. It is openly explained that the way to gain the advantage in a struggle for position is to instill false ideas in the minds of the representatives of another country. Such an approach is obviously based on a philosophy of power for the sake of dominating. This is an extreme case of an approach we in this country find completely alien.

The differences in concept are of the same nature as those which affect our daily lives, our family relationships, our types of education, sports, art, and religion.

These differences stem from the time when our relations with the past were closer than our rela-

tions with our neighbors isolated from us in space, which prevented free and full exchanges. Then the ideas and habits of our grandfathers were better known to us than those of men in other lands. The traditions that were handed down to us were not challenged by those of persons a thousand miles away.

There was ample cause for misunderstanding what was distant and unfamiliar in a world such as I describe. Thus, when a few tourists went abroad, they were to experience shocking surprises. The dress, manners, and amusements of the traveler, though tolerated for the sake of the money they brought to the economy, aggravated the sense of difference and led frequently to hostility rather than friendship.

The problem will continue to exist in modified form but is perhaps becoming less as our experience prepares us for what we as travelers encounter, and as a wider knowledge of America on the part of foreign visitors here helps to give a more generous interpretation of our ways and manners.

Since we must cling to our own principles and traditions, we must consider carefully the extent to which these principles can be nourished and enriched by the knowledge of wider concepts. It is in the light of these aspects of our policy that we can begin to approach other people with sympathy and understanding. Then a true warmth of approach helps to combat the misunderstandings which are at times bound to occur.

Situation in Germany

Germany is a case which can be usefully examined in connection with the three points made earlier. It is clear neither Germany nor the United States can live alone, but have a mutual dependence in this modern world. It is recognized that, through our soldiers in Germany and prisoners of war here, local ways and customs have affected our relations. One can, I think, demonstrate that our ability to understand the German problem and the German people has been the basis for the success of our policy so far. Thus, the major reason why our relations with Germany have yielded such striking results has been because we understood the nature of the need and what we had to work with. Anyone who has had even the remotest connection with war is aware of the importance of basic changes in Germany's

relations with other countries to secure the peace. There must be, history has shown, a strong, dependable linking of the interests and destinies of European countries if Europe and the rest of the world are to live in peace. The fact that the help of non-European countries has been required to accomplish the far-reaching reconstruction of political and economic life was by 1945 fully evident. Without this reshaping of institutions and systems, it would have been impossible for France and Germany to work together in the Coal and Steel Community, to assist each other in the Organization for European Economic Cooperation and the European Payments Union. No agreement on the Saar could have been achieved.

We can all recognize the new relations between France and Germany as one of the greatest single new elements in Western European strength. We have played an important part in bringing this about. We have done it because we have been convinced of its importance. There are other less obvious ways in which what has happened in Germany has reflected our desperate need for peace. Here it has become evident that the principles of democracy cannot be abandoned and that the free world must stand against further encroachment. The result has been a striking economic and political revival.

The situation in Germany has also provided convincing arguments for our stand in the struggle against communism. The flight of the refugees from the East and the story of Berlin have helped us to understand the day-to-day issues. Here the barriers raised by despots and the attempt of millions to fly from the tyranny of communism have taken on a clear meaning for all of us. These people seeking escape from political slavery here proved by their acts the unacceptability of dictatorship in a manner comprehensible to all of us and effectively influencing our cooperative efforts.

There are thousands of refugees each week streaming into Berlin. They come quietly by day and by night. They come ostensibly to visit or to do business. They do not return to the East. You may ask what this means to us. It has been, and will probably continue to be, the sign of the spiritual difference between political freedom and the police state.

These refugees, then, show us how right we have been to reach out with sympathy to those who have the spirit of resistance, to honor those who

will not submit, to endeavor, where we can, to help them. They bring to us as individuals a warning of the sacrifice which is required to stand for human dignity. We can learn from them of the world they leave, in which families are set at odds, religion persecuted, education mechanized, and the social ways and habits reduced to a level of bare necessities. We recognize what it is to suffer not from physical but from spiritual starvation in a world of unrestrained materialism. In Germany, and particularly in Berlin, we all know of the East-West contrast; we can hear the personal stories of the meaning of their efforts to withstand the oppression of the police state.

Berlin, too, has brought a clear message. It is a place where our patience in support of the free world is being tested. It is also a place where the intentions of the Communists are revealed. In 1948 their desire to force the Allies to the West and to bring the Iron Curtain down in the heart of Germany, in spite of Four Power agreements, was made evident by the blockade. They endeavored to lure the Berliners with promises of food and fuel. The Soviets offered a kind of partnership. They evidently expected to find a greater weakness than was in fact Berlin. When, however, they were countered by the airlift, when the United States, the United Kingdom, and France showed no intention of withdrawing, they had to modify their plans. When the Berliners showed their faith in the Allies by refusing to accept Soviet terms, the Soviets changed their tactics. They ended the blockade.

Here, as in Korea, with peril which was boldly met, we demonstrated that we could stand fast. The Communist world showed it could retreat.

Berlin is an outpost and a watchtower. It is a demonstration of what the cooperation of nations can do in the face of unusual and insoluble problems. The rapid economic recovery of Berlin is probably one of the most bewildering events for the Communist leaders. They have geography and armies on their side. The West, in this little island—less than 40 miles across and more than 100 miles behind the Iron Curtain—ignores their strength and builds more firmly the democracy of free men. Berlin thus gives us not only inspiration but guidance as to how to hold and what are the values that can bind people of different traditions and origins together in a solid working relationship.

Germany has been an area in which our knowledge of conditions has made possible the successful extension of various techniques of international cooperation there and between many nations. In relief and reconstruction the work was jointly carried out. In the currency reform and the first rehabilitation of industry and trade, the three Western occupying powers developed the plans and accomplished the tasks together.

I have used Germany and Berlin to illustrate the way in which need and familiarity have helped direct our energies and resources in a productive manner. Many of the German problems are familiar to you and some of you have perhaps a working knowledge of them. The rise of Hitler, in the years between the wars, evidences to us the dangers of failure to understand and act on international realities. It has been the most widely recognized illustration of the fact that destructive forces can quickly gain command if there is the widespread belief among the people that economic opportunity is shut off.

We have seen that Germany was anxious for the accomplishment of European integration. Germany wished to liberalize trade and to work jointly with other nations for financial stability. Germany has shown a desire to plan for its share in the burdens of defending the peace. Germany has demonstrated its determination to withstand the fallacious offers of unreal freedom that may be proposed as the price for the return of the eastern provinces. Germany has, along with hard-pressed Berlin, withstood Communist pressures and has achieved a remarkable economic recovery.

Aids to Understanding

What, then, are the general conclusions which we derive from a consideration of these illustrations and phases of foreign policy problems? Clearly they cannot be ignored. It is equally clear that few of us can be specialists in this field. We cannot have access to enough information or devote enough time to the information available to us to have a satisfactory understanding of the critical issues. If we compare our situation, however, with that of persons like us some decades ago, we can recognize that we do scan a wider horizon.

Of books, press, radio, and television coverage of international affairs we have both quantity and

quality. The problem for each of us is how we use them.

In our own approach to foreign affairs, there may be some useful devices which we can adopt. These can be a measure of selectivity in our reading, relating our main interest to the relations between countries from which our families came, where we have traveled, where soldiers in our families have fought or been stationed. If, then, we have a clear view of a few problems, we can test out the validity of press and radio against this background. We can better judge the reasonableness of political direction. We can understand how much mutual support is possible in some one set of relations. We can become aware of the sensitivity of others in a situation for which we have developed a feeling.

Basically, however, there is a continuum of problems. The questions of representation, of taxation, of standards of living and racial tolerance are matters with which we are all concerned daily. Moreover, these are matters which have affected the legal and constitutional foundations of each country. If we understand these main issues close to us, if we agree that these same questions and fields of decision affect men everywhere, we have a solid ground on which to build further knowledge. It is this recognition of the urgency of the common problems between peoples and nations which drives us on to greater effort.

There is not now, and in fact there never has been, a secure place in which to hide from hate, aggression, and tyranny. There used to be myths about retiring to the hills, seeking peace in the South Sea Islands. Poets and novelists occasionally fed an anxious people with these illusions.

Now, in a world of wide horizons and many lost causes, there is no mistaking the alternatives that face the civilized world. It is necessary that we work together or we will not be able to survive. We must hang together or very surely we will hang separately. It is this knowledge and this understanding that is behind the unrelenting efforts of those in all countries who are trying to support those basic aims and legitimate aspirations of free men in all countries. It is the urgency deriving from this realization that has led to the increase of the exchanges of ideas, the new institutional forms of cooperation, the new demands on your support as citizens, as voters, as professional persons.

It would be very restful if we could take a vacation from the problems which now confront us daily. We have no respite, however. Our stand on local issues, our contributions through our work and our taxes, our education, our art and way of living are always known and always important to those in other lands who are looking to see where they can find friends with whom they can work for their own peace for the betterment of mankind.

Although the way is long and the dangers are enormous, perhaps the essence of the problem is not, after all, so difficult to understand. In the human aspirations to which our countries are dedicated are the hopes and aims of mankind everywhere. We believe this, we work for this, we can thus feel a pride and responsibility in the part we can each play in this great enterprise.

Austria Announces Aid to Former Persecutees

Press release 361 dated June 28

The board of trustees of the Austrian fund for aid to former persecutees, which was established by the Austrian Federal Law of January 18, 1956, has announced the procedure for filing applications by former persecutees residing abroad. All persons who were persecuted in Austria during the period March 1933 to May 8, 1945, for political reasons, including racial origin, religion, or nationality but excluding National Socialist activities, are eligible to file applications if:

- (1) they were Austrian citizens on March 13, 1938, or had uninterrupted, permanent residence for at least 10 years in Austria prior to March 13, 1938;
- (2) they have subsequently emigrated from Austria and are now living abroad; and
- (3) they have not received payment under the Austrian Victims' Compensation Law, except for compensation for imprisonment.

Application forms will be available at all Austrian consulates in the near future, and applicants are advised, in their own interest, to use these forms. Completed forms should be sent to *Hilfsfonds* (Aid Fund), Vienna 49, Post Office Box (*Postfach*) 138, and should reach the fund no

later than June 10, 1957, as applications which are received after that date will not be considered.

Additional information concerning the aid fund and the procedure for filing applications, as well as a list of Austrian consulates, may be obtained from the Department of State.

Lebanon To Receive U.S. Aid To Improve Transportation

The International Cooperation Administration on June 23 announced it will make available \$3.67 million to help Lebanon improve its public road and transportation system. This brings to over \$7.76 million the total of U.S. mutual security aid for Lebanon during fiscal year 1956.

Of the new funds, \$3 million will be used to help the Lebanese Government finance the construction of a section of highway which runs from Beirut, Lebanon's capital, to Damascus, the capital of Syria. The U.S. funds—matched by an equal contribution from the Lebanese Government to meet local currency costs—will help in constructing the new road through some of the roughest and most mountainous terrain in Lebanon.

In addition to the \$3 million in development assistance funds, \$200,000 in technical cooperation funds will be used to finance a contract with an American firm to send technicians to Lebanon to advise on engineering and construction. The remaining \$470,000 will be used to help rehabilitate and improve safety conditions at Beirut International Airport, largest in the area. Runways at the airport will be lengthened, permitting commercial jet-type aircraft to land.

The U.S. funds will help to accelerate a major program of public roads construction undertaken by the Lebanese Government as part of a 5-year economic development plan.

According to a report of Lebanon's Ministry of Public Works, "There is no doubt whatever that implementation of the program of roads . . . would give greater impetus to the economic development of the area and, by setting an example, provide the beginning of an improved regional network. The provision of the United States aid would give a further illustration of the form of free international cooperation to which our two democratic countries are devoted."

World Bank Loan to Colombia for Highway Improvement

The World Bank on June 6 announced that it had on that day made a loan of \$16.5 million to Colombia to complete a program to rehabilitate the principal highways. First begun in 1951, the program has since been considerably revised and expanded to keep pace with the extremely rapid growth of traffic on Colombian roads. It is the third such loan made by the bank to Colombia and brings the total of lending for Colombian highway improvements to \$47.3 million.

The benefits to Colombia of improvements in the highways are already becoming apparent. Prolonged traffic interruptions, due to torrents and landslides, have been virtually eliminated. Better alignment, more gradual gradients, increased width, and the paving of road surfaces have reduced the time taken by road transport, in many cases from days to a few hours, and have lowered transportation costs.

The original program to rehabilitate about 1,900 miles of Colombia's principal highways was undertaken in 1951 to provide good road transport between the larger cities and the principal ocean and river ports. Because the existing highways were in serious disrepair and improved roads were of pressing importance to the economy, work was concentrated at first on providing passable gravel roads, paved only on the more heavily traveled sections; the development of first-class highways was to be undertaken gradually over a longer period.

The immediate rise in traffic accompanying the road improvements, however, soon made it apparent that gravel road could not meet even current needs. In 1953, therefore, at the time of the bank's second highway loan to Colombia, it was decided to increase the proportion of paved roads to 85 percent, to acquire more earth-moving equipment, needed particularly to modify mountain gradients and curves, and to establish a comprehensive and continuing road-maintenance program.

The increase in traffic continued to be unexpectedly high. Between 1952 and 1955, for example, the volume of traffic has doubled on most of the roads and more than tripled near large cities. On the main highway crossing the central mountain range, daily traffic has multiplied tenfold, from 220 vehicles to more than 2,200. The registration of motor vehicles rose from 65,000 to

140,000, with trucks and buses accounting for the greater part of the increase. As a result, further revisions became necessary in the standards to which the principal roads were being constructed.

The new loan will finance the additional foreign-exchange costs of the equipment, materials, and services needed for the increased construction work required by the new standards. In addition, bank-financed equipment will be used to build a new 40-mile road between Cienaga and Barranquilla on the Caribbean coast.

Signing of Tax Convention With Honduras

Press release 354 dated June 25

Secretary Dulles and Carlos Izaguirre, Honduran Ambassador in Washington, signed a convention on June 25 between the United States and Honduras for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

The convention follows, in general, the pattern of income-tax conventions now in force between the United States and a number of other countries but is the first such convention to be concluded with any of the American Republics. It applies, so far as U.S. taxes are concerned, only to the Federal income taxes, including surtaxes. It does not apply to the imposition or collection of taxes by the several States, the District of Columbia, or the territories or possessions of the United States, although it contains a broad national-treatment provision similar to a provision customarily found in treaties of friendship, commerce and navigation.

It is provided in the convention that it shall become effective as of January 1 of the year in which the exchange of instruments of ratification takes place. It will be necessary to transmit the convention to the Senate for advice and consent to ratification. The text of the convention, with accompanying commentaries regarding its provisions, will be available in printed form upon publication of the Senate Executive document.

Defense Support for Spain Increased to \$60 Million

The International Cooperation Administration on June 1 announced approval of a \$10 million increase in defense support for Spain under the mutual security program for the current fiscal year. This increase brings the total of defense support for Spain to \$60 million for the year ending June 30.

The additional allotment is being made after appraisal by the American Embassy and the U.S. Operations Mission in Madrid of the damage caused to the Spanish economy by last February's freezing weather. The loss of considerable citrus fruit and other crops which are normally exported meant foreign-exchange losses for Spain this year which were not anticipated. Because these foreign-exchange losses would have reduced Spain's ability to finance normal imports and thus interfered with the nation's industrial progress, the new \$10 million allotment will be used to finance the purchase of industrial raw materials and capital equipment.

Earlier this year the United States also made available to Spain some 40,000 tons of foodstuffs to relieve the immediate distress caused by the freezes.

The mutual security program for Spain began in the fall of 1953, following the signing of three agreements under which the United States is developing joint air and naval bases in Spain and is providing military and economic aid. The military facilities are of strategic importance to the defense of Western Europe and thus to the security of the United States. In many cases, the United States is taking over substantial installations developed by the Spanish Government.

Assistance under the economic aid agreement has now totaled \$230 million, including the new allotment. The program is intended to strengthen the economic basis for Spanish cooperation in the mutual defense programs. Major emphasis has been directed to railway rehabilitation and electric-power generation and distribution. A large portion of the aid has been furnished in the form of U.S. agricultural commodities.

The Economic World To Come

by Herbert V. Prochnow

Deputy Under Secretary for Economic Affairs¹

All of us are interested in the shape of economic things to come. What tomorrow has in store for us is often a much more fascinating subject than yesterday's happenings. For obvious reasons, the businessman and the economist cannot escape this preoccupation with the economic shape of things to come. When a businessman plans his future purchases of raw materials, his inventory of finished goods, or his anticipated sales, he projects his thinking ahead. When he makes plans to construct new buildings and plant, or to modernize his present production facilities, he anticipates the probable course of his business for years to come.

In the national economy there are projections ahead covering Federal revenues and expenditures. There are estimates also of such items as gross national product, construction, employment, growth of the labor force, and investment. Among some of the underdeveloped nations, especially, there are projections of the anticipated economic trends for several years in advance. It is reasonable to assume that it would likewise be desirable to try to obtain some idea of the future world economy by projections ahead with the best statistical tools available.

A book has recently been published in which the author states that the history of economic thought constitutes "a gigantic blind alley, against the end of which economists have been bashing their heads for decades." The author's apparent belief is that economists cannot predict. However, notwithstanding all the risks involved, looking ahead is a necessity in business, industry, and in almost every segment of our economic life.

In the Department of State, with the well-being of our people so closely related to that of the people of other countries, it is necessary not only to make short-run decisions but also at the same time to project economic policies for the longer range. In spite of the difficulties and uncertainties of economic forecasting, we must with all earnestness do our best to anticipate possible economic developments over the world. The projections admittedly will be faulty, but they may outline at least in bold relief the general magnitude of future problems and economic trends.

So far as the United States is concerned, there has been a great amount of this kind of economic analysis here and throughout the world of the American economy. In many ways, our economic future is important not only to us but also to many other countries.

Our economic development has been remarkable, greater than any people perhaps has a right to expect. Consider our gross national product, that is, the grand total of the goods and services produced annually in the United States. In 1940 our gross national product was \$206 billion—in terms of present-day prices. In 1948 it was nearly \$300 billion. Today our gross national product has reached an annual rate of approximately \$400 billion.

Future Development in United States

And what of the future? What can we expect the output of our economy to be in 1965? According to one projection, it should be above \$500 billion. The congressional Joint Committee on the Economic Report has said that our gross national product could increase to \$540 billion by 1965, or almost \$500 billion if computed "at factor

¹ Address made at the University of Nebraska, Lincoln, Nebr., on June 25 (press release 340 dated June 20).

cost," which means, roughly, after deducting taxes and subsidies. Others have projected present-day trends even further—to 1975—almost 20 years from now—and have predicted an outpouring of \$670 billion of goods and services on this same basis. Incidentally, all these projections are in terms of today's prices; that is, they represent entirely actual increases in goods and services, not mere increases in monetary values.

Some people may well wonder how, with our economy now operating at near capacity, it will be possible to reach such economic heights in such a comparatively short period of time. Let us take a moment to examine one or two factors operating today which make such an achievement possible.

First, look at what is happening to the American population. A big surprise of the postwar decade was the sharp growth in population. The birth rate was low in 1933, with 18.4 youngsters per 1,000 of population, but it rose to a new high of over 26 per 1,000 in 1947. Since then the rate has been 25 per 1,000. Not many years ago it was predicted that the American population would become static within a few years and even start to decline thereafter. It was this interpretation which underlay some of the comments about a mature or stagnation economy. Now it appears that our population in 1965 can be expected to reach about 190 million. Twenty years from now it should be in the neighborhood of 215 million. The impact of this increase on the growth of the economy is obvious. For example, in the field of housing construction, which has played so important a part in our prosperity, the prospects are for demand and construction of 12 million new houses during the current decade. By 1960 it is estimated that annual construction expenditures on housing may be more than \$33 billion, or 22 percent greater than in 1950.

Second, although there may be limits to such resources as manpower and basic materials, there is no foreseeable exhaustion of technology. In a sense, this is our primary resource, because without it the usefulness of our other resources would be severely limited. Over the past century we have achieved a fabulous increase in output per man-hour by constantly devising new and better machinery and methods to augment human effort.

Our technology has always been dynamic. Today we produce more than three times as much per worker in a 40-hour week as our grandparents did working 70 hours. And, just to take a look

into the longer future, at the rate we have been increasing our productivity over the past 100 years, by the year 2050 we should be producing as much in one 7-hour day as we do now in a 40-hour week. Actually, we have only just begun to exploit the technological developments of World War II—atomic energy is probably the most spectacular example. Technology can be expected to continue to increase productivity—per man, per acre, per machine.

Actually, one of the most important predictions that can be made about the United States economy for the next 20 years turns upon one percentage point. Productivity, which has been increasing at an average of 2 percent a year for nearly a century, and at 3 percent since 1950, will probably continue to increase over the next quarter century by an annual average of 3 percent. Consider what this added percentage point actually means. If United States productivity rises at an average annual rate of 2 percent, production per man-hour will double in 35 years, increase to 4 times in 70 years, and 8 times in 105 years. But if American productivity rises at an annual rate of 3 percent, production per man-hour will double in less than 24 years, increase 4 times in 47 years, and 8 times in 71 years. The implications for growth of this additional percentage point are staggering indeed.

Peaceful Revolution in Society

One wishes he could be as certain that social invention and spiritual enlightenment would keep pace with our scientific progress and economic growth, that our individualism would grow more pronounced as our material standards advanced. These are crucial questions. In fact, a recent "speculative projection" made by the California Institute of Technology concluded that "brain power" was the only raw-material shortage foreseen! But in any case, the real significance of the unfolding of the American economic drama involves more than new gadgets and material things. It gives people more choices on what to do with their lives. It is a peaceful revolution in society. J. Frederic Dewhurst and Associates, in their book *America's Needs and Resources: A New Survey*, express it as follows:

In many ways those of us now passing middle age have within our lifetime experienced a greater advance in our material standard of living and a more pervasive change in our way of life than occurred in all the previous centuries of Western history. The mass of the people, it

is important to emphasize, have been the chief beneficiaries of this great material progress. In every past age and civilization only the favored few were able to enjoy a high standard of living, because they alone could command the lavish personal service to make it possible. . . . This democratization of our way of life . . . is the inevitable outcome of a progressive technology applied to production.

The same book describes the American technological marvels at which I have hinted. Going to press around the beginning of 1955, they suggested that the gross national product in 1960 might be about \$414 billion (at 1954 prices). In the light of what we know today, that looks like a rather low estimate; but in a footnote the authors explained that \$414 billion was the "medium projection" of their survey, and they went on to say that the 1960 figure "might be as low as \$350 billion or as high as \$490 billion" and added that "under wartime emergency conditions it could rise to nearly \$600 billion." I mention this not to confuse the subject but in order to illustrate the hazards of trend-projecting and to guard against the sin of complacency. As stated so well in the recent *Economic Report of the President*:

To meet the challenge of prosperity, we must above all things avoid complacency. The continuance of general prosperity cannot be taken for granted. In a high-level economy like ours, neither the threat of inflation nor the threat of recession can ever be very distant.

Moreover, there will be serious problems of adjustment as we go along, such as temporary imbalances (as in agriculture today), the increased savings needed for public and private investment, and the shortening of hours of work, so that we cannot assume that economic progress will dispose of all our problems.

Worldwide Economic Growth

What may we conclude about the economic future in the rest of the world? What will be happening in Europe, in Asia, in South America, in Africa while we advance to new economic achievements? Will they be standing still? Obviously they will not. They, too, are on the move. In fact, it is possible that the United States, with all its coming growth, may even account for a slightly smaller share, relatively, of the world's production in the 1960's and 1970's than it does now.

Everywhere governments and peoples are anxious to achieve economic improvement. Some of them are inexperienced and face formidable

obstacles, but they are determined to overcome them. There is a sense of economic urgency everywhere in the world. Technology, which, as I have indicated, is a primary resource without which all other resources would be economically less important, is crossing international boundaries as never before. The earth of every continent is capable of supporting factory-made houses; the food of every continent is capable of being frozen and put in modern packages; the air of every continent behaves the same to a jet plane or a helicopter rotor; and the ether of all continents permits the passage of electronic impulses. It is probable that no other country is heading for a \$600 billion economy in the next 20 years, but they are headed for more economic goods than they have now.

Economic growth has gone furthest in America, but it is not exclusively an American affair. Long-term projections suggest the possibility that world population and world production will experience unprecedented rates of growth during the next two decades.

First, consider population. In 1950 the population of the world was about two and a half billion. It seems likely that the present figure is 200 million higher, or about 2 billion 700 million, though we do not know precisely how many people there are in some countries.

World population is growing at the rate of more than 35 million a year, and by 1960 it should be approaching 2 billion 900 million. Five years later, in 1965, it may be up to 3 billion 100 million. And 10 years after that, in 1975, it is quite possible that the human race will number as many as 3 billion 600 million, and that even the rate of growth will be greater at that time than it is now.

I realize that these figures are higher than many earlier projections. For example, Frank W. Notestein projected a world population of 3 billion 345 million for the year 2000 A. D. That is less than the figure I have just mentioned for 1975. When the Woytinskys produced their massive volume *World Population and Production* in 1953, they thought Notestein's projection was too high and revised it downward a little. But trend-projecting is a dynamic, fast-changing business; and, barring a nuclear conflict that would wipe out whole segments of humanity in an instant, there are good reasons for thinking now that previous estimates have been on the low side.

Now let us consider production. Here we find ourselves on much less certain ground. To mention but a few of the complicating factors—we are hampered by inadequate data on current production and labor input, the absence of clear-cut historical trends for many countries, and numerous technical and accounting problems in reducing available data to comparable statistics. Even in the face of these uncertainties, however, we can obtain some idea of the general economic shape of the world 20 years hence.

Gross World Product in Trillions

In 1950 the total output of goods and services in the world—the sum of all gross national products, or, we may say, the gross world product—was perhaps in the neighborhood of \$866 billion.

At the present time it is probably well beyond \$1 trillion, or one thousand billions, and is expanding rapidly.

In 1960 it could be about 1 trillion 300 billion dollars.

In 1965 this impressive statistic could reach about 1 trillion 600 billion dollars.

And for 1975 over 2 trillion 186 billion dollars, almost three times the 1950 world production.

All these figures are in terms of the purchasing power of the dollar in 1953. If this were written for a learned publication, I should have to supply a long list of footnotes. For example, even if we knew exactly what foreign production was going to be, the problems of translating it into figures comparable for all countries would still be staggering. But you will have to imagine the footnotes, for I shall not bore you with them here.

Let me pick out two significant facts about these projections:

First, *world output may very well expand in the next 20 years faster than it has in the past.*

One reason for thinking that this may occur relates to the underdeveloped countries. The determined efforts of many of those countries to speed up their economic growth seem likely to achieve a considerable measure of success, in spite of vast and formidable difficulties which confront them. Some of the underdeveloped areas, for example, India and parts of Latin America, may even increase their production between now and 1975 at a faster *rate* than the United States—though our lead in absolute terms can be expected to grow larger.

An even more important reason why world production may expand more rapidly than in the past is that the industrial nations may well be more successful than hitherto in maintaining a high and stable level of total demand. If so, this should make the drag of any recessions on average rates of growth much less severe than in previous periods.

A second significant fact about our projections is that *world output is expected to rise a great deal faster than world population.*

According to the projections, population will rise about 50 percent between 1950 and 1975. And in the same period, production may be expected to rise 150 percent, or at a rate three times that of population growth.

If this is correct, it will mean that the per-capita output of the world will rise significantly. According to the projections it will rise more than 75 percent in that 25-year period, that is, from about \$341 per capita in 1950 to about \$604 per capita in 1975.

In terms of human well-being, in terms of food and clothing and housing and refrigerators and radio sets and improved health and education, the implications of these prospective developments are extremely encouraging. To show how far the world has to go, however, before it begins to approach the level of living to which we are accustomed, we should note that, even if the world average output on a per-capita basis does reach \$604 in 1975, it will still be far below the *present* per-capita figure in the United States and Canada. This now is over \$2,000, and by 1975 it may well be above \$3,000. Furthermore the per-capita output in some underdeveloped countries may remain below \$100 a year—even if it nearly doubles in the next 20 years.

Thus we see ahead of us a different world; a world in which mechanization is no longer the exclusive possession of a few countries; a world in which the production of goods and services will far outstrip anything in our previous experience.

Consequences for America

What will this world economic growth mean to the United States?

The impact of our own economic growth on the individual American in terms of his physical environment and his daily manner of living probably needs no elaboration. But there are additional

consequences for America which will result from the phenomenal economic growth of the world in general. Let me mention some of those consequences:

More Americans will be traveling abroad on business or pleasure and traveling faster and more cheaply as the years go by. Other peoples, in turn, will visit us in larger numbers and get to know us better. Already it is easier and quicker to circle the earth and pay a leisurely visit to every country than it was for our ancestors to cross our own continent.

World economic growth will also bring Americans into closer touch with other countries through improved communications.

Americans and other economically developing peoples will discover more about what the earth and the space around it are really like. It takes considerable economic advancement, for example, to place a satellite filled with measuring instruments in the sky.

One very important accompaniment to world economic development may well be the opening of larger and more appealing opportunities for American citizens and American business concerns to carry their enterprise and their investments to foreign countries. Such investments, in turn, will contribute to faster development in the countries where they are made.

Then, too, economic growth may bring long-term strategic shifts of power centers in the world, since population and output do not everywhere expand at the same rate. That is a subject in itself, and I shall not try to discuss it today but only to comment that such shifts will probably lead Americans to realize, even more clearly than now, that we cannot work out our destiny alone. The need for sound international relations is not going to get any smaller in our lifetime. We can be fairly certain of that.

One of the greatest consequences of world economic expansion is trade.

As world output climbs into the trillions, our commerce with other countries will almost inevitably flow in a volume so vast as to render small by comparison the international trade of the present. The streams of trade, in turn, will give added stimulus to our economic growth; in fact, without trade our projected growth might not take place.

As regions develop economically, they become

bigger markets. Their people can buy more goods and services. There will be competition for these markets, of course. There should be. But, when markets are expanding steadily, there is room for those who can produce the things that are in demand. We in the United States will be sending our products abroad in quantities much greater than those of today.

As our own country passes the \$400 billion and \$500 billion brackets of national production, our demand for raw materials will expand accordingly. That demand will have to be met increasingly from overseas. We shall need an ever-larger volume of imports to satisfy the American consumer and to serve our industries. Already we rely heavily on foreign sources of supply, and this reliance will grow as time goes on. We used to be a net exporter of petroleum and copper; now we are a net importer. We used to dig all our own iron ore; now we import a considerable amount. We bring in bauxite, nickel, tin, manganese, uranium. As our population grows, we shall also need ever-larger quantities of consumer goods which we cannot produce, like coffee and bananas, and even of consumer goods which we can produce but which are not as advantageous to us to produce as certain other products.

The prospect of greatly increased world production will, of course, bring new problems as it eases old ones. It will not necessarily simplify our foreign relations—especially with the underdeveloped countries. While their rate of growth might exceed that of the United States, the absolute gap between us may widen. This situation will call for all the diplomatic skill and public understanding that we can muster. Rightly or wrongly, peoples abroad frequently think in terms of “catching up” with Western standards of living—or at least of narrowing the gap that has so long existed between them and the West. Thus they are not likely to be pleased with a situation in which this may turn out to be extremely difficult, and the problem of maintaining political and social stability under these circumstances will require great understanding. While economic progress is a necessary ingredient to improving the welfare of free men everywhere, it alone by no means assures the continued existence of a free society. After all, material well-being is not an end in itself but the means to a better life in all its aspects.

The economic world to come must be a world dedicated to improving the welfare of free men everywhere. As men and women over the world achieve higher standards of living, not only they but the world will be better off. The chances of mankind to achieve the social and spiritual blessings of a free society will be increased to the extent that the economic well-being of individual men and women is improved. Now, for the first time in all history, hundreds of millions of people in all continents of the world are beginning to see that new and challenging economic opportunities may be opened to them which will raise their standards of living.

This is the vision we may see as we lift our eyes to the future.

Modifications in Proclamation on Tariff Negotiations

Press release 368 dated June 30

The President on June 29 issued a proclamation modifying the proclamation of June 13, 1956,¹ giving effect to the concessions negotiated on a reciprocal basis by the United States at the 1956 tariff negotiations held at Geneva, Switzerland, by the Contracting Parties to the General Agreement on Tariffs and Trade. This proclamation makes two relatively minor modifications in the earlier proclamation. First, it avoids a reduction in the duty on unconcentrated citrus fruit juices which was inadvertently included in the language originally proclaimed. Secondly, it corrects the language used to describe a reduction in the duty on buttons of textile material.

These modifications of the June 13 proclamation become effective June 30, 1956.

PROCLAMATION 3146²

WHEREAS by Proclamation 3140 of June 13, 1956 (21 F. R. 4237), the President has proclaimed such modifications of existing duties and other import restrictions of the United States, or such continuance of existing customs or excise treatment of articles imported into the United States as were found to be required or appropriate to carry out the Sixth Protocol of Supplementary Concessions to the General Agreement on Tariffs and Trade, including the schedule of United States concessions (H. Doc. 421, 84th Cong., 2d Session);

¹ BULLETIN of June 25, 1956, p. 1057.

² 21 Fed Reg. 4995.

WHEREAS the description of products in item 806 (a) in Part I of Schedule XX annexed to the said Sixth Protocol of Supplementary Concessions reads as follows:

"Cherry juice, and other fruit juices and fruit sirups, not specially provided for, containing less than ½ of one per centum of alcohol (not including prune juice, prune sirup, or prune wine, and except pineapple juice or sirup and naranjilla (*solanum quitoense lam*) juice or sirup)";

WHEREAS the said item 806 (a) was not intended to cover citrus fruit juices, but such juices other than naranjilla juice inadvertently were not excepted from the description of products set forth in the said item 806 (a);

WHEREAS that portion of the description of products in item 1510 [second] in Part I of the said Schedule XX which follows the last semicolon therein, was erroneously worded to provide for buttons "wholly or in chief value of textile material" instead of for buttons "wholly or in part of textile material";

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the Constitution and the Statutes, including section 350 of the Tariff Act of 1930, as amended (48 Stat. (pt. 1) 943, ch. 474, 57 Stat. (pt. 1) 125, ch. 118, 59 Stat. (pt. 1) 410, ch. 269, 63 Stat. (pt. 1) 698, ch. 585, 69 Stat. 165, ch. 169), do proclaim, effective June 30, 1956:

(a) That the said Proclamation 3140 of June 13, 1956, is hereby terminated, to the extent that it shall be applied as though the description of products in item 806 (a) in Part I of Schedule XX to the Sixth Protocol of Supplementary Concessions to the General Agreement on Tariffs and Trade were stated as follows:

"Cherry juice, and other fruit juices and fruit sirups, not specially provided for, containing less than ½ of one per centum of alcohol (not including prune juice, prune sirup, or prune wine, and except pineapple juice or sirup, naranjilla (*solanum quitoense lam*) and other citrus fruit juices, and naranjilla sirup)".

(b) That item 1510 [second] in Part I of the said Schedule II shall be applied as though that portion of the description of products therein which follows the last semicolon read as follows: "or wholly or in part of textile material."

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-ninth day of June in the year of our Lord nineteen hun-

[SEAL] dred and fifty-six, and of the Independence of the United States of America the one hundred

and eightieth.

Dwight D. Eisenhower

By the President

HERBERT HOOVER, Jr.

Acting Secretary of State

Department of State Bulletin

Publication of Schedule of Recent Tariff Concessions

Press release 349 dated June 22

The Department of State on June 22 released a publication describing in statutory language the tariff concessions recently made by the United States, under authority of the Trade Agreements Extension Act of 1955, in return for concessions on U.S. export items. In these recently concluded tariff negotiations held in Geneva, Switzerland, under the auspices of the contracting parties to the General Agreement on Tariffs and Trade, the United States and each of the other 21 governments struck a mutually satisfactory balance of concessions on products which figure importantly in their two-way trade.¹

Pursuant to the provisions of the Trade Agreements Act, as amended, most of the U.S. concessions will be made effective in three annual stages, the effective date for the first stage being June 30, 1956. The publication shows the concession rates of duty which are to become effective for each item in each stage, for each item which was the subject of a concession, and the country with whom the concession was negotiated.

The publication, entitled *General Agreement on Tariffs and Trade, Schedule XX* (Department of State publication 6362, Commercial Policy Series 159), may be purchased for 60 cents from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

Congressional Documents Relating to Foreign Policy

84th Congress, 2d Session

Relinquishment of Consular Jurisdiction in Morocco.

Hearings before the Senate Committee on Foreign Relations on S. J. Res. 165, approving the relinquishment of the consular jurisdiction of the United States in Morocco. April 10 and May 15, 1956. 31 pp.

Mutual Security Act of 1956. Hearings before the Senate Committee on Foreign Relations on the mutual security program for fiscal year 1957. April 13-May 31, 1956. 1083 pp.

To Abolish Forced Labor Through ILO. Hearings before the Subcommittee on Labor of the Senate Committee

on Labor and Public Welfare on S. J. Res. 117, to provide for United States cooperation with other nations through the International Labor Organization to abolish forced labor. April 25 and 27, 1956. 293 pp.

Amendments to Refugee Relief Act of 1953. Hearing before the subcommittee of the Senate Committee on the Judiciary on S. 3570, S. 3571, S. 3572, S. 3573, S. 3574, and S. 3606, bills to amend the Refugee Relief Act of 1953, so as to increase the number of orphan visas and raise the age; extend the life of the act; permit issuance of visas to persons afflicted with tuberculosis; permit the giving of assurances by recognized voluntary agencies; provide for the reallocation of visas, and change the conditions under which visas may be issued to refugees in the Far East. May 3, 1956. 106 pp.

U.S. Passports: Denial and Review. Hearings before Subcommittee No. 1 of the House Committee on the Judiciary on H. R. 9991, a bill to amend the Administrative Procedure Act and the Communist Control Act of 1954 so as to provide for a passport review procedure and to prohibit the issuance of passports to persons under Communist discipline. May 10 and 28, 1956. 32 pp.

Fisheries Act of 1956. Report to accompany S. 3275. S. Rept. 2017, May 17, 1956. 7 pp.

The Great Pretense. A Symposium on Anti-Stalinism and the 20th Congress of the Soviet Communist Party. H. Rept. 2189, May 19, 1956. 173 pp.

Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Bill, 1957. Report to accompany H. R. 10721. S. Rept. 2034, May 21, 1956. 15 pp.

Laws Controlling Illicit Narcotics Traffic. Summary of Federal legislation, statutes, Executive orders, regulations, and agencies for control of the illicit narcotics traffic in the United States, including international, State, and certain municipal regulations. S. Doc. 120, May 21, 1956. 98 pp.

Mutual Security Act of 1956. Report of the House Committee on Foreign Affairs on H.R. 11356, to amend further the Mutual Security Act of 1954, as amended, and for other purposes. H. Rept. 2213, May 25, 1956. 98 pp.

International Geophysical Year. A special report prepared by the National Academy of Sciences for the Senate Committee on Appropriations. S. Doc. 124, May 28, 1956. 27 pp.

The Communist Conspiracy, Strategy and Tactics of World Communism, Part I, Communism Outside the United States: Foreword, General Introduction, Section A: Marxist Classics, H. Rept. 2240, 202 pp.; Section B: The U.S.S.R., H. Rept. 2241, 528 pp.; Section C: The World Congresses of the Communist International, H. Rept. 2242, 372 pp.; Section D: Communist Activities Around the World, H. Rept. 2243, 553 pp.; Section E: The Comintern and the CPUSA, H. Rept. 2244, 343 pp. May 29, 1956.

Preventing Citizens of the United States of Questionable Loyalty to the United States Government from Accepting Any Office or Employment in or under the United Nations. Report to accompany S. 782. S. Rept. 2118, June 5, 1956. 10 pp.

Amending the Japanese-American Evacuation Claims Act of 1948, To Expedite Final Determination of the Claims. Report to accompany H. R. 7763, S. Rept. 2132, June 5, 1956. 9 pp.

Greetings to the German Bundestag. Report to accompany S. Res. 263. S. Rept. 2134, June 5, 1956. 2 pp.

United States Participation in the International Bureau for the Publication of Customs Tariffs. Report to accompany S. J. Res. 178. S. Rept. 2138, June 5, 1956. 2 pp.

Authorizing Participation by the United States in Parliamentary Conferences of the North Atlantic Treaty Organization. Report to accompany H. J. Res. 501. S. Rept. 2140, June 5, 1956. 4 pp.

¹For an announcement of June 7 on the results of the 1956 tariff negotiations, together with the Presidential proclamation giving effect to the new concessions, see BULLETIN of June 25, 1956, p. 1054.

The United Nations Expanded Program of Technical Assistance

Statement by Francis O. Wilcox

*Assistant Secretary for International Organization Affairs*¹

I appreciate very much the opportunity to appear again before this subcommittee to discuss the United Nations Expanded Program of Technical Assistance. Since this is one of the most important action programs being carried out by international organizations, I believe that a fuller understanding of its operation may be helpful to the members of the subcommittee in their study of the specialized agencies of the United Nations.

During the last 6 years, 78 countries have pledged over \$142 million to the special account by which the Expanded Program is financed. This has made it possible to recruit experts from 77 countries and to make use of the facilities of 105 countries and territories to provide training in various forms. It may safely be said that never before have the resources of so many countries been mobilized for a worldwide cooperative enterprise.

Some 131 countries and territories have been helped. Since the inception of the program in 1950, some 5,000 experts have served in capacities ranging from advice on a narrow technical problem to assistance in the formulation of overall national economic and social plans. Over 10,000 fellowships have been awarded for study abroad, ranging from on-the-job training in industrial enterprises to long-term study at advanced educational institutions. Equipment and supplies amounting to about \$10 million have been provided as part of approved projects. Technical assistance projects may range from a single ex-

pert spending a few months in a country advising on the solution of specific technical problems in an individual enterprise, or a single fellow studying a particular manufacturing process or administrative technique, to a large regional training center combining many forms of assistance over a period of years.

As one might expect, some dissatisfaction with the operation of the program has been expressed in the past 2 or 3 years. Proposals have also been made which would radically alter its character. I know you share our desire that the international programs we support should be soundly organized and efficiently managed.

I would like first to discuss with you the historical background of the present organizational arrangements; second, explain how these arrangements work in practice; and third, test against this background the specific criticisms and suggestions which have been made.

First of all, I should like to say that we always welcome suggestions of a constructive nature in connection with United States participation in international organizations. The active interest which nongovernmental groups are taking in these matters has been helpful. Although we may sometimes not find it possible to accept entirely their viewpoint, we do appreciate the sincerity of their interest. Let me assure you that we will always give careful thought to all the suggestions we receive in this area. It must be recognized that our problems are complex, requiring an assessment of our national interests on the one hand, and the interests of some 75 other participating governments on the other. Even when we are sure we know what we want to do, we cannot always have our way.

¹ Made on June 25 before the Subcommittee on International Organizations and Movements of the Foreign Affairs Committee of the House of Representatives. For a statement by Mr. Wilcox on the U.N. specialized agencies, made before the same subcommittee on Feb. 20, see BULLETIN of Mar. 19, 1956, p. 480.

Historical Background of the U.N. System

In considering the problem of how to organize an international technical assistance program, I believe we are all seeking the same goal—the creation of the kind of machinery which will result in the most effective use of the total resources of the United Nations agencies in the economic and social fields.

In any consideration of the U.N. Technical Assistance Program, the historical background of the U.N. system itself is significant. As the subcommittee knows, the present United Nations system was not created overnight. The United Nations and the 10 specialized agencies have their roots deep in the past. The charter of the United Nations was developed in part out of the experience of the League of Nations, the World Court, and other international institutions of previous decades. Several of the specialized agencies trace their origin to the 19th century and the early part of the 20th century. For example, the Food and Agriculture Organization (FAO) developed from the International Institute of Agriculture, founded at Rome in 1905. The World Health Organization (WHO) grew out of the International Office of Public Health, established at Paris in 1909. Later, in 1919, came the International Labor Organization. Only four of the present specialized agencies were created during or after World War II: the International Civil Aviation Organization, the International Bank, the International Monetary Fund, and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

At the San Francisco Conference in 1945, the problem of what to do with this complex network of international agencies, old and new, was given special attention. There were two extreme schools of thought. One school argued in favor of complete centralization in order to assure maximum coordination. This school of thought maintained that if all activities—political, security, economic, social, and the rest—could be placed under one roof, there would be relatively little waste of money and manpower. It favored a single institution which, like a national government, would consist of a number of functional departments and be financed from a single budget.

The other school of thought argued in favor of decentralization, maintaining that the United Nations should be limited primarily to political and

security matters and that the specialized agencies, as completely autonomous bodies, should deal with all other activities. They contended that no single institution could cope effectively with the whole range of international problems and that, in any case, the success of nonpolitical activities should not be jeopardized by linking them with controversial political issues.

The issue of a centralized international structure versus a decentralized structure was settled in 1945. The principle of decentralization, with a recognition of the necessity for adequate coordination, won out. Each organization has its own constitution, its own secretariat, its own rules of procedure, its own membership, and its own budget. All these organizations, however, are bound together in a common effort by agreements between the United Nations and each agency, as well as interagency agreements. The United Nations General Assembly reviews and makes recommendations on the administrative budgets of the specialized agencies. The Economic and Social Council coordinates their programs. In the past 10 years the Council has accomplished much in recommending priorities of programs, in urging a concentration of effort, and in eliminating duplication among the various agencies. Moreover, the heads of the specialized agencies meet together regularly in the Administrative Committee on Coordination, which is under the chairmanship of the U.N. Secretary-General. Here they discuss common problems, plan joint programs, and strive to prevent and eliminate overlapping and wasted effort.

Establishment of the Expanded Technical Assistance Program

After the decentralized system was in operation, the question arose in 1949 as to how to organize an enlarged program for the provision of technical assistance to underdeveloped countries. Again, the question was whether a single new agency should be established or whether already existing decentralized machinery should be used. There were strong proponents for both approaches.

A second problem was whether to establish a separate technical assistance budget for each agency or to establish one central fund from which money could be allocated to each of the agencies. Still a third problem was whether contributions to the technical assistance program should be voluntary or whether the cost should be assessed against the member states.

The conclusion reached by the Economic and Social Council, as set forth in its resolution of August 1949 establishing the Expanded Technical Assistance Program,² was that the facilities of the technical agencies already functioning should be used and adequate machinery for coordinating their efforts provided.

The Ecosoc resolution stated that the program was to be financed by voluntary contributions from governments to a special fund to be set up by the U.N. Secretary-General. The major part of the allocations from the fund to the various participating agencies was to be made according to a scale of predetermined percentages.

The resolution established the Technical Assistance Committee (TAC), a standing intergovernmental body made up of the 18 governments who are members of the Ecosoc. This committee gives general supervision to the program. It examines each year's program presented to it by the Technical Assistance Board and reports to the Council concerning it, making such recommendations as it may deem necessary.

The resolution also established a Technical Assistance Board (TAB), composed of the executive heads of the participating agencies, or their representatives, under the chairmanship of the U.N. Secretary-General. This board was directed to coordinate the program, to examine program proposals made by each of the agencies, and to make recommendations on these proposals and the overall program to the Ecosoc through the Technical Assistance Committee.

This was the initial machinery through which the Technical Assistance Program was to operate. The first 2 years' experience demonstrated the necessity for more effective coordination of agency activities.

Consequently, in 1952 Ecosoc recommended that the Secretary-General, after consultation with the participating agencies, appoint a full-time executive chairman of the Technical Assistance Board.³ It was his duty to examine program proposals submitted by the participating organizations, in order to facilitate the development of integrated country programs. He was to make recommendations to the Technical Assistance Board with respect to program proposals, including the earmarking or allocation of funds.

² ECOSOC Resolution 222.

³ ECOSOC Resolution 433.

Projects were approved by the board, in agreement with the chairman.

A further change in machinery for operation of the Expanded Program was approved in 1954 by Ecosoc and the General Assembly, to give added recognition to the principle that programs should be more responsive to the needs and desires of the underdeveloped countries. Under this resolution,⁴ there were two major changes:

1. Funds are no longer allocated automatically to the participating organizations on the basis of the percentage formula established in 1949; they are distributed among the agencies on the basis of programs requested by underdeveloped countries and the priorities placed on them by the requesting governments. Subject to the total availability of funds, the agencies were protected in the resolution from a decline of more than 15 percent in their programs from year to year.

2. The Technical Assistance Committee, which had previously reviewed the program and made such recommendations as it deemed necessary, was now directed to review the overall program in the light of its importance for economic development, and to *approve* it. Subject to the confirmation of the General Assembly, the Technical Assistance Committee also was directed to authorize the allocation of funds among the agencies.

The dissatisfaction expressed about the program appears to center around these last two changes, approved in 1954. This dissatisfaction has led to the submission of a draft joint resolution to this subcommittee by three of the national farm groups.

Operation of the Technical Assistance Program

Before turning to these criticisms, I would like to describe briefly the four basic steps in the development of technical assistance projects.

1. Each spring, the Technical Assistance Board, which, as I have mentioned, is made up of representatives of all the participating agencies, sets target figures covering programs in all fields for each country. These target figures show the amount of expenditure for technical assistance which it may be possible to make for all purposes during the ensuing year. They are based on TAB's estimate of the total funds which may be contrib-

⁴ General Assembly Resolution 831; BULLETIN of Dec. 27, 1954, p. 1006.

uted for the next year and distributed among countries on the basis of such factors as need, projects already in operation, and the availability of aid from other sources. For example, country X is given a target of \$500,000 for 1957, divided into subtotals among agriculture, health, education, etc. At the same time, it is given a list of the 1957 costs of projects currently in operation, if these are continuing projects. The ministries of health, of agriculture, of education, etc., examine their needs in the light of assistance which will be available and develop their requests for projects.

It is my view, Mr. Chairman, that this self-examination by the underdeveloped countries, this conscious weighing of the total needs of the country, is one of the most important consequences of this new approach. Clearly, it is essential for a country to understand its own problems and its own needs before it can hope to make real progress.

2. Within the target figures, country X then proceeds to draw up its program requests for the next year in consultation with the Technical Assistance Board resident representative and representatives of the participating organizations. The role of the Technical Assistance Board resident representative is to provide leadership in coordination among the participating organizations. He does not have line authority over representatives of the specialized agencies. Nor does he interfere in technical negotiations between specialized agency representatives and ministries of recipient governments. Each of the specialized agencies participates as an equal in preparing recommended programs of technical assistance to be financed from the central fund. The governing bodies of the specialized agencies regularly review the technical aspects of the program and provide their Directors General with policy guidance.

3. The proposed program for country X is then forwarded to the Technical Assistance Board. The board combines this request together with the requests submitted by other countries into a total program for the following year. As I have stated, the board, in drawing up the program, insures that each participating organization is allocated at least 85 percent of the amount allocated to it under the current year's program, provided that funds are available. It should be remembered that the Technical Assistance Board is

made up of agency representatives and not government representatives.

4. The total program, with the board's recommendations, is reviewed and approved by the Technical Assistance Committee. The TAC review of the program does not deal with country allocations or with the technical aspects of the program, or with individual projects. It is concerned rather with the overall program and with inter-agency relationships. After TAC approves the program, it authorizes the allocation of funds to each of the participating organizations. This action is subject to confirmation by the General Assembly.

After funds are allocated to the individual specialized agencies for approved technical assistance projects, they are under the control of the agencies for expenditure. Each agency plans the details of its own projects, recruits its own experts, and is fully responsible for the operation of each of its projects. The technical assistance program of each agency is subject to the review and policy direction of the governing bodies of the agency in the same way as the activities financed from the assessed budget. The primary difference is that the agency governing body does not determine the total funds which will be available for the program. This is dependent primarily on the total of the voluntary contributions from governments and secondly on the program as developed by the agencies in TAB and approved by TAC.

Criticisms of the Program: Its Structure

I would like now to discuss the specific criticisms which have been advanced in certain quarters, primarily by some of the farm organizations. These criticisms fall into two major categories. First is dissatisfaction with the structure and administration of the program. The second relates to the method by which the program is financed.

The Danger of Centralization. The fear has been expressed that the operation of the Expanded Program will result in bringing the activities of the specialized agencies under the political influence and control of the General Assembly. The spokesman for the National Grange, in testifying before this subcommittee, stated that he felt that FAO "has been prostituting itself by taking large sums of money from the political organization, U.N., along with the controls and supervision of

its technical programs, which the political U.N. is not qualified to give."

I have explained earlier how technical assistance projects are developed and put into operation. The most important single element in this process is the recipient country—what it wants and what it needs for its economic development. Against this must be weighed the resources available to meet those needs. The job of stretching resources to fill the most urgent needs of underdeveloped countries is one which involves the whole international machinery—the field staffs of the specialized agencies, the resident representatives, the specialized agency headquarters, their representatives in the Technical Assistance Board, and finally the governmental representatives in the Technical Assistance Committee. I have examined the record carefully and, on the basis of the operation of the program to date, I sincerely believe the fears expressed by the farm groups are completely unfounded.

Political problems are certainly uppermost on the agenda of the Security Council, and political pressures do influence many of the actions of the U.N. General Assembly. But I do believe it is completely unrealistic to say that, because the final approval of the Technical Assistance Program rests with the General Assembly, the technical judgments of the agencies will be overridden by political considerations. In the final analysis, whenever two or more governments meet, political considerations are involved. I question seriously whether there is any less politics in the debates of the specialized agencies themselves than in the General Assembly debates on technical matters.

The secretariats and governing bodies of the specialized agencies are responsible for the soundness of each project which they undertake. Each agency recruits its own experts, purchases its own supplies and equipment, disburses the money it has received from the central fund, and is responsible for the success or failure of each of its own projects. The role of Tac and the General Assembly in the final approval of the total Technical Assistance Program in no way detracts from the responsibility of the governing bodies of each of the specialized agencies for the projects in the agency's field of competence. I am a firm believer in the work of the specialized agencies. If I felt that the political influence of the General Assembly were in any way undermining their val-

uable work, I would be among the first to advocate appropriate changes.

As I have pointed out, there are a number of alternatives in organizing this program or any other international program. There are, of course, those who would like to see centralization of the program in one agency. There are others who would like to see complete decentralization among the specialized agencies with machinery to provide only essential minimum coordination. There are still others, and in this group I include the Department of State, who believe that the present machinery, although not perfect, offers a reasonable means for pooling the limited resources available in order to get the maximum amount of technical assistance from the funds contributed. If programing at the country level is important—and we believe that it is—then something more than a series of isolated, unrelated technical assistance projects is necessary. The "something more" is a fitting together of projects into the total plan of the country for its development. This job under present arrangements is the responsibility of the agencies operating through the Tab.

On this point, the subcommittee may be interested to note the comments of the report of the Senate Subcommittee on Technical Assistance Programs of the Committee on Foreign Relations, as follows:

Administration of the United Nations technical assistance program is tending toward centralization in the Technical Assistance Board, a group composed of representatives of the U.N. itself and of all the specialized agencies which participate in technical assistance. This trend has had a salutary effect in administration of the U.N. program, and the subcommittee recommends that United States representatives in the various U.N. agencies concerned support further moves in this direction. In particular, the subcommittee believes that the authority of the U.N. resident representatives in countries receiving technical assistance should be strengthened. This would improve coordination among the specialized agencies and also between the U.N. and the United States programs. It could also be expected to make for a more well-rounded and a better balanced technical assistance effort.

Along this same line, Senator Green in his report on a study mission on technical assistance in the Far East, South Asia, and Middle East commented as follows:

The trip afforded an opportunity to talk to many U.N. technical assistance officials in various countries. They uniformly showed a firm grasp of the problems they face

and exhibited an exceptionally high level of competence. The trip left the general impression that the U.N. technical assistance program produces more per dollar expended than does the bilateral program of the United States. The explanation may be that the U.N. has less money and selects both its projects and its personnel more carefully.

The U.N. program could be further improved, however, by a greater degree of centralization in its administration. Considerable progress has been made in this direction with more widespread use of resident representatives and with greater authority centered in the U.N. Technical Assistance Board to allocate funds among the various specialized agencies. This trend seems to be continuing, with the result that the U.N. program is becoming less dispersed and is being administered a good deal more efficiently. It could probably be improved even more if the Technical Assistance Board's resident representatives were given authority over the technicians of the specialized agencies more nearly comparable to that of an American mission chief over United States technicians.

The U.N. program deserves continued strong support, financial and otherwise, from the United States.

These views which have been reflected in the reports of various congressional committees obviously deserve careful consideration. Certainly those who advocate further decentralization would do well to consider their merits and the sources from which they come. We in the executive branch are doing our utmost to see that the present machinery operates with a maximum of efficiency, so that these legitimate demands for coordination are met without in any way jeopardizing the autonomy or the efficiency of the specialized agencies.

Relationship of Specialized Agencies and the Expanded Program. It has been argued that under the present organization of the Expanded Program of Technical Assistance each specialized agency must go through the wasteful process of operating under two budgets, two sets of administrative rules, two sets of governing bodies, two sets of books, and two sets of employees and that the expanded program is a separate entity superimposed on the regular activities of the agency. Some of the agencies, notably the FAO, have been slow to integrate ETAP into their regular activities, although there is no basic reason why this should have been so. In fact, the original resolution establishing ETAP specifically provided that "the work undertaken by the participating organizations under the expanded technical assistance program should be such as to be suitable for integration with their normal work."

Some of the agencies from the beginning have carried on their technical assistance projects and

their regular activities side by side, using the same headquarters staff to backstop both programs. The Expanded Program has obviously required enlargement of administrative personnel and headquarters program personnel to plan and carry out the extensive field operations which were not a normal part of the operation of some of the agencies. It has not, however, been necessary for agencies to establish two sets of books. Any organization must be able to account for the funds it uses regardless of the source. Moreover, so far as I am aware, the specialized agencies have been able to use the same accounting staff (augmented wherever necessary), the same accounting procedures, and the same auditing procedures which they use for the regular budgets.

While the operation of the Expanded Program has obviously caused some administrative stress and strain because of the considerable expansion in specialized agency activities, we feel that by and large the agencies have been able to assimilate the Expanded Program in an effective way. While there are obviously additional changes which can be made in the future to simplify the operation, we do not believe that there is anything basically unworkable about the present setup. Just this year, FAO is taking active steps to amalgamate the operation of its regular and its expanded activities, and we are hopeful that some of the difficulties it has encountered in the past will now be alleviated.

Criticisms of the Program: Basis of Financing

The question of the basis of financing technical assistance activities is an extremely difficult one and is one to which we have given very serious consideration. Likewise, the question of the proportion of the U.S. contribution to the Technical Assistance Program is a difficult one, of which we are constantly aware.

Financing by Voluntary Means or by Assessment. It has been suggested in some quarters that the advantages of voluntary contributions are outweighed by the disadvantages and that technical assistance activities should be financed through assessments against the member states. Assessments are levies voted by the General Assembly or General Conference of each agency to support its regular activities. The members are committed by their ratification of the constitution of the organization to pay the amount assessed.

The primary disadvantage of voluntary financing is that contributions are on a year-to-year basis. Governments may or may not contribute as they see fit. This creates some difficulty in long-range program planning, since the agencies have no assurance of funds beyond those currently pledged.

However, there is some assurance of program stability, through a Working Capital and Reserve Fund which has been built up and now totals \$12 million. The record of pledges, which have increased steadily from year to year, and the excellent record of collections also give the program a certain degree of stability. In fact, the agencies increasingly can plan long-range projects with reasonable assurance that those projects can be carried to completion.

There are currently five comparable programs being financed through voluntary contributions from governments: United Nations Expanded Program of Technical Assistance, United Nations Children's Fund, United Nations Relief and Works Agency for Palestine Refugees in the Near East, United Nations Korean Reconstruction Agency, and the United Nations Refugee Fund.

You will recall that, at the time the scale of assessment for the United Nations was being negotiated in 1946, the late Senator Vandenberg drew a distinction between the administrative budgets of the U.N. and operational programs such as the International Refugee Organization. We believe there is still a valid distinction between basic administrative budgets and operational programs and that there is a legitimate place for both assessed financing and voluntary contributions. An analogy which comes to mind is the payment of taxes by an individual to cover the cost of certain basic services which he expects from his local government as contrasted with the voluntary contributions he makes to the Community Chest and his church to perform other services which he feels are necessary but are not tax-supported.

We see no fundamental objection to the voluntary financing of a program such as technical assistance. The support of governments is generally enthusiastic and has been increasing steadily. Our share of the program has been gradually reduced from 60 percent to 50 percent. As the support of other governments continues to increase, we would hope to be able to reduce our percentage further, so long as this can be done without jeopardizing the size of the fund. If the

technical assistance contributions now provided voluntarily were assessed against governments, I question seriously whether many countries would be willing and able to assume the burden on a continuing basis. It is my conviction that putting the program on an assessed basis at the present time would reduce sharply the total amount of funds available for technical assistance.

We certainly do not want to risk increasing the assessed cost of international organization activities to the point where the system of international agencies might become too onerous a financial burden for some of the members.

As Senator Vandenberg stated in 1946:

I should consider it fatal to our aspirations if the United Nations should permit its aspirations to so far outrun its resources that any peace-loving nation would ever find it financially impossible to maintain its membership . . . or that it should ever lose its vote because of unavoidable arrears. This must never become a so-called "rich man's club"; it must always remain the "town meeting of the world."

Governments by and large are reluctant to subscribe to a permanent increase in their financial commitments, although they may be quite willing to increase the amount they contribute voluntarily to international activities. Voluntary financing permits governments greater flexibility with respect to participation in certain programs from year to year. I fear that, if contributions for technical assistance were assessed, there would be a considerable reduction in the funds made available for this purpose.

In short, we are convinced that voluntary financing of some international programs is sound policy. We see no reason why we should not continue to support both assessed and voluntary programs.

Convertibility of Contributions. Contributions to the Expanded Program may be made in local currencies and in goods and services, as well as in hard currencies. It has been suggested that all contributions should be made in convertible hard currencies. We would agree that this would be highly desirable. However, the question is really one of usability rather than convertibility and is actually a problem in the case of only a few of the contributions to the Expanded Program. The fact that contributions can be made in local currencies is one of the features that appeals to many contributing governments. For the most part, the participating organizations have been

able to utilize inconvertible contributions with relatively little difficulty through hiring experts, purchasing equipment, and arranging training facilities which can be paid for in inconvertible currency. The prime problem has been in the utilization of Russian rubles, which has presented and still presents considerable difficulty.

As for contributions in goods and services, a few contributions, notably those of Brazil and Denmark, are contributions partly in educational services. Such contributions have been welcome and useful.

We are undertaking diplomatic negotiations with other contributing countries to see whether it would be possible to require a higher degree of convertibility in contributions. It is too early to report on the results of these negotiations, but we are hopeful that we may be able to improve the present situation.

Level of U.S. Support of the Technical Assistance Program. The level of U.S. support for the Technical Assistance Program has also been questioned. In order to get the program started, the U.S. initially contributed 60 percent of total contributions to the central fund. Our percentage has now been reduced to 50 percent. Over a period of time we hope to be able to reduce our percentage even further.

With three major exceptions, states contribute to technical assistance in about the same ratio as they are assessed for the regular budgets. The U.S. contributes 50 percent as contrasted to its regular assessment of 33.33 percent. China contributes .07 percent as against its regular budget assessment of 5.62 percent. The Soviet Union, which is assessed 15.28 percent for 1956, is contributing 3.70 percent of the technical assistance fund. These two countries account for the bulk of the deficiency that the U.S. is making up by contributing more than 33.33 percent. It is apparent that if the U.S. reduced its contribution to 33.33 percent it would create increased pressure for the use of Soviet experts and training facilities. While we do not expect or suggest that the U.S. should continue indefinitely to contribute 50 percent of the total program, we do believe that we should make any reduction below 50 percent

gradually and only after assuring ourselves that the size and effectiveness of the total program will not suffer.

I should also like to emphasize that the 50 percent figure applies only to contributions to the central fund. When local contributions by recipient governments are taken into account, the U.S. share of the total program is only about 17 percent.

Present Machinery Adequate

In conclusion, I should like to repeat that, while the machinery of the Expanded Program is not perfect, it is proving itself to be adequate for the job for which it was established. We would be extremely reluctant to see any major changes in this machinery at this time. I have talked to the Directors General of the more important participating organizations and I find that they share this view.

The committee will be interested in a recent statement by the Administrative Committee on Coordination, which is composed of the Directors General of all the specialized agencies:

The ACC wishes to emphasize once again that the Expanded Technical Assistance Program is not really a series of projects operated by a number of separate agencies, but a composite whole planned jointly, in an increasingly effectual manner, within the participating agencies and in the countries concerned under the guidance of the Technical Assistance Board and the Technical Assistance Committee.

The members of the ACC participating in the program . . . emphasize the readiness of their organizations to undertake, on the basis of the experience which they have now acquired, any larger tasks which it may become necessary to discharge as international action develops. Our tested and proven international machinery now exists for this purpose.

Mr. Chairman, as I indicated in the beginning of this statement, our prime concern is to develop the kind of machinery which will result in the most effective use of the total limited resources of the United Nations agencies in the economic and social fields. I am convinced that this goal can be achieved through the present organizational arrangements for the Technical Assistance Program.

TREATY INFORMATION

Atomic Energy Agreements Amended

The Atomic Energy Commission and the Department of State (press release 363) announced on June 28 that the United States and Canada on June 26 concluded an agreement amending the agreement for cooperation in atomic energy matters which has been in effect since July 21, 1955. The new agreement provides for the exchange of information on military package power reactors and other military reactors for the propulsion of naval vessels, aircraft, or land vehicles. Any United States data transmitted under this provision to the Canadian Government will be restricted in the same manner as dissemination of such data is limited in the United States. Consequently such data will not be made available to private persons or firms other than those holding contracts for military work with the Canadian Government. The enlargement of the scope of cooperation between the two nations is based on section 144a of the United States Atomic Energy Act of 1954.

The signing on June 27 of an agreement amending and extending the U.S.-Danish atomic energy agreement which has been in effect since July 25, 1955, was announced on June 28 (press release 362). The principal change embodied in the amendments is to authorize the United States to lease uranium for fueling research reactors containing up to 12 kilograms of the fissionable Uranium-235 in an enrichment not to exceed 20 percent. The present limit is 6 kilograms of contained Uranium-235.

Denmark plans to add a small research facility to its previously announced program for construction of a pooltype research reactor. Additional nuclear material is needed for the added facility. Other amendments to the Danish agreement bring it in line with more recent research accords which have included authorization for sale or transfer for laboratory research of gram quantities of Uranium-233, Uranium-235, and plutonium.

The Federal Republic of Germany and the United States signed a similar amending agreement on June 29 (press release 367).

C. Burke Elbrick, Acting Assistant Secretary for European Affairs, and Chairman Lewis L. Strauss of the Atomic Energy Commission signed all three agreements for the United States. George P. Glazebrook, Canadian Chargé d'Affaires, signed for his Government; Ambassador Henrik de Kauffman signed the U.S.-Danish agreement; and Ambassador Heinz Krekeler signed the U.S.-German agreement.

The amending accords will become effective after they have been before the Joint Committee on Atomic Energy of Congress for 30 days and the Governments have notified each other that they have complied with all necessary statutory and constitutional requirements.

Agreements With United Kingdom on Long-Range Proving Ground

Press release 355 dated June 25

Secretary Dulles and British Ambassador Sir Roger Makins signed two agreements on June 25 concerning the long-range proving ground for guided missiles in the Caribbean and South Atlantic.

In 1950 and 1952 agreements were signed between the Government of the United Kingdom and the Government of the United States to provide for the establishment in the Bahamas of a long-range proving ground for guided missiles.¹ The range has subsequently been operated in close and successful cooperation between these Governments.

The test range presently extends from Cape Canaveral southeast, through the Bahamas archipelago, with tracking stations on the islands of Grand Bahama, Eleuthera, San Salvador, Mayaguana, Grand Turk (of the Turks and Ciacos Islands), the Dominican Republic, and Puerto Rico.

The United States Air Force Missile Test Center, which operates the Florida Missile Test Range, is located at Patrick Air Force Base, Florida, and is one of the 10 centers of the Air Research and Development Command. The range is used to test guided missiles for governmental agencies and contractors.

After consultation with the governments of the territories concerned, agreements have now been

¹ BULLETIN of July 31, 1950, p. 191, and Feb. 4, 1952, p. 166.

signed between the Government of the United Kingdom and the Government of the United States to permit the extension of this range to the British territories of St. Lucia in the Windward Islands and Ascension Island in the South Atlantic. This extension should add considerably to the usefulness of the range and play a valuable part in the development of guided weapons.

Effective steps will, of course, be taken to safeguard fully the interests and safety of the inhabitants of the territories concerned and of civilian shipping and air commerce.

Current Actions

MULTILATERAL

Trade and Commerce

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952. Entered into force November 20, 1955.¹

Accessions deposited: Yugoslavia, May 29, 1956; Austria, June 8, 1956.

Fourth protocol of rectifications and modifications to annexes and to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva March 7, 1955.²

Signature: Peru, May 15, 1956.

Protocol of terms of accession of Japan to the General Agreement on Tariffs and Trade, with annex A (schedules of the contracting parties) and annex B (schedule of Japan). Done at Geneva June 7, 1955. Entered into force September 10, 1955. TIAS 3438.

Notification of intention to apply concessions received: Indonesia, May 11, 1956 (effective June 10, 1956).

Fifth protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva December 3, 1955.²

Signature: Peru, May 15, 1956.

BILATERAL

Australia

Agreement for cooperation concerning production of nuclear power. Signed at Washington June 22, 1956. Enters into force on the day on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Canada

Agreement amending the agreement for cooperation concerning civil uses of atomic energy of June 15, 1955 (TIAS 3304) by providing for the exchange of information on propulsion and power reactors. Signed at Washington June 26, 1956. Enters into force on the day on which each Government receives from the other written

notification that it has complied with all statutory and constitutional requirements.

Colombia

Agreement extending agreement for a cooperative health program of September 15 and October 20, 1950 (TIAS 2203), as modified and supplemented. Effected by exchange of notes at Bogotá April 25 and May 17, 1956. Entered into force May 25, 1956 (date of signature of extension of operational agreement).

Cuba

Agreement for cooperation concerning civil uses of atomic energy. Signed at Washington June 26, 1956. Enters into force on the day on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Denmark

Agreement amending the agreement for cooperation concerning civil uses of atomic energy of July 25, 1955 (TIAS 3309). Signed at Washington June 27, 1956. Enters into force on the day on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

France

Convention supplementing the conventions of July 25, 1939, and October 18, 1946, relating to the avoidance of double taxation, as modified and supplemented by the protocol of May 17, 1948 (59 Stat. 893; 64 Stat. (3) B3; 64 Stat. (3) B28). Signed at Washington June 22, 1956. Enters into force on the date of exchange of ratifications.

Germany

Treaty of friendship, commerce and navigation, with protocol and exchange of notes. Signed at Washington October 29, 1954. Enters into force July 14, 1956. *Proclaimed by the President:* June 26, 1956.

Honduras

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Signed at Washington June 25, 1956. Shall become effective as of January 1 of the year in which the exchange of ratifications takes place.

Netherlands

Agreement for cooperation concerning production of nuclear power. Signed at Washington June 22, 1956. Enters into force on the day on which each Government receives from the other written notification that it has complied with statutory and constitutional requirements.

Poland

Agreement on the settlement for lend-lease and certain claims. Signed at Washington June 28, 1956. Entered into force June 28, 1956.

United Kingdom

Agreement concerning the extension of the Bahamas Long Range Proving Ground (TIAS 2099, 2426, 2789) by the establishment of additional sites in Ascension Islands. Signed at Washington June 25, 1956. Entered into force June 25, 1956.

Agreement concerning the extension of the Bahamas Long Range Proving Ground (TIAS 2099, 2426, 2789) by the establishment of additional sites in Saint Lucia. Signed at Washington June 25, 1956. Entered into force June 25, 1956.

¹ Not in force for the United States.

² Not in force.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Defense—Standard Contract Form for Use in Offshore Procurement Program. TIAS 3416. Pub. 6231. 23 pp. 15¢.

Agreement between the United States and Luxembourg. Exchange of notes—Signed at Luxembourg April 17, May 10, and July 16, 1954. Entered into force September 30, 1955.

Termination of Reciprocal Trade Agreement of April 24, 1936. TIAS 3419. Pub. 6206. 3 pp. 5¢.

Agreement between the United States and Guatemala. Exchange of notes—Signed at Guatemala August 2 and September 28, 1955. Entered into force September 28, 1955.

General Agreement on Tariffs and Trade. TIAS 3437. Pub. 6281. 17 pp. 10¢.

Declaration on the Continued Application of Schedules to agreement of October 30, 1947, between the United States and other governments—Done at Geneva March 10, 1955. Entered into force with respect to the United States March 21, 1955.

Naval Mission. TIAS 3442. Pub. 6239. 2 pp. 5¢.

Agreement between the United States and Venezuela—Extending agreement of August 23, 1950. Exchange of notes—Signed at Washington April 9 and August 12, 1954. Entered into force August 12, 1954.

United Nations Educational, Scientific and Cultural Organization—Amendments to the Constitution. TIAS 3469. Pub. 6278. 6 pp. 5¢.

Amendments adopted by the General Conference of the United Nations Educational, Scientific and Cultural Organization at Montevideo, November 22 and December 8, 1954.

International Tracing Service. TIAS 3471. Pub. 6287. 55 pp. 20¢.

Agreement between the United States and the Federal Republic of Germany. Exchange of notes—Signed at Bonn and Bonn-Bad Godesberg June 6, 1955. Entered into force June 6, 1955; operative retroactively May 5, 1955. Agreement between the United States and the International Committee of the Red Cross. Exchange of notes—Signed at Bonn-Bad Godesberg and Geneva June 6, 1955. Entered into force May 5, 1955. Agreement between the United States and other governments—Signed at Bonn June 6, 1955. And agreement between the International Commission for the International Tracing Service and the International Committee of the Red Cross—Signed at Bonn June 6, 1955. Entered into force May 5, 1955.

Interchange of Patent Rights and Technical Information for Defense Purposes. TIAS 3478. 17 pp. 10¢.

Agreement and exchange of notes between the United States and the Federal Republic of Germany—Signed at Bonn January 4, 1956. Entered into force January 4, 1956; operative retroactively December 27, 1955.

World Health Organization Regulations No. 1. TIAS 3482. 50 pp. 20¢.

Regulations adopted by the First World Health Assembly at Geneva, July 24, 1948. Entered into force January 1, 1950. And supplementary regulations adopted by the Second World Health Assembly at Geneva, June 30, 1949.

Establishment of United States Navy Medical Research Center at Taipei, Taiwan. TIAS 3493. 20 pp. 15¢.

Agreement between the United States and China. Exchange of notes—Dated at Taipei March 30, April 26, and October 14, 1955. Entered into force October 14, 1955.

Disposition of Certain United States Property in Austria. TIAS 3499. 22 pp. 15¢.

Agreement between the United States and Austria—Signed at Vienna September 26, 1955. Entered into force September 26, 1955.

Defense—Loan of Aircraft Carrier to France. TIAS 3509. 4 pp. 5¢.

Agreement between the United States and France—Amending agreement of September 2, 1953. Exchange of notes—Signed at Washington February 3, 1956. Entered into force February 3, 1956.

Surplus Agricultural Commodities. TIAS 3510. 7 pp. 10¢.

Agreement between the United States and Spain—Signed at Madrid March 5, 1956. Entered into force March 5, 1956.

Naval Mission to Peru. TIAS 3511. 2 pp. 5¢.

Agreement between the United States and Peru—Extending agreement of July 31, 1940, as extended. Exchange of notes—Signed at Washington January 27 and March 14, 1956. Entered into force March 14, 1956.

Surplus Agricultural Commodities. TIAS 3512. 2 pp. 5¢.

Agreement between the United States and Pakistan—Amending article II of agreement of January 18, 1955—Signed at Karachi February 9 and 25, 1956. Entered into force February 25, 1956.

Surplus Agricultural Commodities. TIAS 3513. 9 pp. 10¢.

Agreement between the United States and Indonesia—Signed at Djakarta March 2, 1956. And exchanges of notes—Signed at Djakarta March 2 and 5, 1956. Entered into force March 2, 1956.

Narcotic Drugs—Exchange of Information for Control of Illicit Traffic. TIAS 3514. 4 pp. 5¢.

Arrangement between the United States and the Federal Republic of Germany—Replacing arrangement of December 24, 1927, and February 14, 1928. Exchange of notes—Dated at Washington January 17 and August 24, 1955, and March 7, 1956. Entered into force March 7, 1956.

Surplus Agricultural Commodities. TIAS 3515. 4 pp. 5¢.

Agreement between the United States and Pakistan—Signed at Karachi March 2, 1956. Entered into force March 2, 1956.

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Check List of Department of State Press Releases: June 25-July 1

Releases may be obtained from the News Division, Department of State, Washington 25, D.C. Press releases issued prior to June 25 which appear in this issue of the BULLETIN are Nos. 338 and 340 of June 20 and 349 and 352 of June 22.

No.	Date	Subject
354	6/25	Tax convention with Honduras.
355	6/25	Agreements with U.K. on proving ground.
*356	6/26	Atomic agreement with Cuba.
*357	6/26	Foreign Service Institute Advisory Committee.
358	6/27	Dulles: maintaining free-world unity (combined with No. 360).
359	6/27	Phenix appointment (rewrite).
360	6/27	Dulles: news conference transcript.
361	6/28	Austria aids former persecutees.
362	6/28	Atomic agreement with Denmark (rewrite).
363	6/28	Atomic agreement with Canada (rewrite).
†364	6/28	Lend-lease agreement with Poland.
†365	6/29	Wilcox: "The U.N. and the Search for Disarmament."
*366	6/29	Educational exchange.
367	6/29	Atomic agreement with Germany (rewrite).
368	6/30	Modifications in tariff proclamation.
369	6/30	Dulles: Senate action on mutual security.
370	6/30	Hoover letter to Red Cross on food for Poland.

*Not printed.

†Held for a later issue of the BULLETIN.



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**U.S. Policy in the Near East,
South Asia, and Africa—1955**

The year 1955 witnessed no lessening of American interest in the countries and peoples of the Near East, South Asia, and Africa, and it brought no end to the difficult and complicated problems which have come to the United States from this vital part of the world. On the contrary, the old, basic issues, involving the resurgent and often strident nationalism of the peoples of the area, the problem of self-determination or "colonialism," and questions of the economic development of underdeveloped countries still persisted 10 years after the end of the Second World War. In addition, important individual problems such as the Arab-Israel controversy, Cyprus, and French North Africa have also remained as matters of American concern, whether directly or otherwise, because of the position of the United States as one of the leaders of the free world.

This 63-page booklet surveys significant political issues, problems of regional security, mutual security programs and U.S. technical and economic assistance, and the outlook in U.S. policy.

Copies of *U.S. Policy in the Near East, South Asia, and Africa—1955* are available from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C.

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